FEDERAL EMERGENCY MANAGEMENT AGENCY'S RESPONSE TO THE 2008 HURRICANE SEASON AND THE NATIONAL HOUSING STRATEGY

(110–172)

HEARING

BEFORE THE

SUBCOMMITTEE ON
ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT

OF THE

COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE
HOUSE OF REPRESENTATIVES

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CONTENTS

Page

Summary of Subject Matter vi

TESTIMONY

Becker, Joseph, Senior Vice President of Preparedness and Response, American Red Cross 38
Fagnoni, Cynthia, Managing Director of Education, Workforce, and Income Security Issues, Government Accountability Office 38
Johnson, Admiral Harvey, Deputy Administrator and Chief Operating Officer, Federal Emergency Management Agency 20
Nagin, Hon. C. Ray, Mayor, City of New Orleans, Louisiana 4

PREPARED STATEMENT SUBMITTED BY MEMBERS OF CONGRESS

Graves, Hon. Sam, of Missouri 52
Norton, Hon. Eleanor Holmes, of the District of Columbia 60
Oberstar, Hon. James L., of Minnesota 62

PREPARED STATEMENTS SUBMITTED BY WITNESSES

Becker, Joseph 64
Fagnoni, Cynthia 69
Johnson, Admiral Harvey 139
Nagin, Hon. C. Ray 158

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September 22, 2008

SUMMARY OF SUBJECT MATTER

TO: Members of the Subcommittee on Economic Development, Public Buildings, and Emergency Management

FROM: Subcommittee on Economic Development, Public Buildings, and Emergency Management Staff

SUBJECT: Hearing on "FEMA's Response to the 2008 Hurricane Season and the National Housing Strategy"

PURPOSE OF THE HEARING

On Tuesday, September 23, 2008, at 2:00 p.m., in room 2167 of the Rayburn House Office Building, the Subcommittee on Economic Development, Public Buildings, and Emergency Management will hold a hearing on the Federal Emergency Management Agency's ("FEMA") response to the 2008 hurricane season, the proposed National Disaster Housing Strategy, and the role of the American Red Cross in catastrophic events.

BACKGROUND

The Robert T. Stafford Disaster Relief and Emergency Assistance Act[1] ("Stafford Act") provides the statutory authority for most Federal activities in the wake of a natural disaster or other emergency. The authority to implement assistance under the Stafford Act has been delegated to FEMA.

2008 HURRICANE RESPONSE

To date, the 2008 Hurricane season has had a serious impact on citizens and communities throughout the Gulf Coast and the eastern half of the country. The President has declared 13 Major Disasters or Emergencies under the Stafford Act for Hurricanes or Tropical Storms. While significant, the impact of these storms has not been as catastrophic as other hurricane seasons, such

[1] 42 U.S.C. 5121-5207.

as 2005, when Hurricanes Katrina, Rita, and Wilma struck the United States. However, this is the first hurricane season since FEMA was reformed under the Post Katrina Emergency Management Reform Act.[2]

Hurricane Gustav made landfall seventy two miles southwest of New Orleans on September 1, 2008. Although it did not strike New Orleans as originally feared, it did prompt the first full evacuation of that city since Hurricane Katrina. In anticipation of the storm, Mayor Ray Nagin ordered a mandatory evacuation of New Orleans on August 30, 2008.

Hurricane Ike made landfall at Galveston, TX on September 13, 2008 and caused massive damage to Galveston Island, which was ordered evacuated by Harris County Judge Ed Emmett. The City of Houston was also in the path of this storm. In Houston, a mandatory evacuation for the entire city was not ordered. Rather, those outside the flood plain were ordered to "shelter in place". Hurricane Ike caused widespread damage and power outages in east Texas and the Houston area.

Media reports have highlighted the delay in the distribution of supplies in response to Hurricane Ike. Under plans in place before and after Hurricane Ike, the State of Texas and local governments are responsible for the points of distributions ("PODs"). Because of logistical difficulties in distributing supplies in Houston, FEMA, at the request of the Governor of Texas on September 13, 2008, took over the PODs in the City of Houston and Harris County. Currently, FEMA is continuing this task. Further media reports highlight the difficulties the most vulnerable citizens faced when they were evacuated to shelters.

NATIONAL DISASTER HOUSING STRATEGY

The Post Katrina Emergency Management Reform Act of 2006 directed FEMA to submit a report to Congress describing the National Disaster Housing Strategy. The report was due within 270 days of enactment (October 30, 2006)[3]. In response to that requirement, FEMA placed a draft National Disaster Housing Strategy out for public comment on July 24, 2008. The comment period closes on September 22, 2008. In anticipation of this hearing, which was previously postponed at FEMA's request, Committee staff requested that the comment period be extended by at least seven days. FEMA has agreed to this request this request and extended the comment period until September 29, 2008.

The draft strategy provided by FEMA provides an overview of current practices. Its historical and descriptive narrative explains current policies and how they evolved to the present day. Within that narrative the strategy references Stafford Act authority and how that authority has been carried out by the Agency. The draft document breaks out disaster housing in a continuum from sheltering to interim housing to permanent housing.

The strategy gives great emphasis to the responsibilities of local and state authorities. In fact, its most concrete examples of creative approaches tend to be those initiated at the state and

[2] Title VI of Public Law 106-295
[3] Section 683 of Public Law 106-295

local levels such as the Louisiana Family Recovery Corps[4] and the Clara Barton Hospital Shelter in Hoisington, Kansas.[5]

While the state and local roles are underlined, the federal role is not as clearly defined. That definition is expected to come from the seven Annexes to the Strategy. It is in these annexes that the problems and questions derived from the Katrina experience are specifically addressed. For example, Annex Two will cover "Methods to House Disaster Victims Where Employment and the Resources They Need For Living Are Available". In a similar way, Annex Five addresses an area that several Congressional Committees have focused on: "Programs to Promote the Repair or Rehabilitation of Existing Rental Housing." From the perspective of necessary adjustments to legislation, Annex Six of the Strategy is "Additional Authorities Necessary to Carry Out the Strategy." All of the annexes are listed as being "under development."[6] In an appearance before a Senate committee during the summer 2008, FEMA Deputy Administrator Harvey E. Johnson, Jr. indicated that the final version of the strategy, with the completed annexes, would be ready in the fall.[7]

In June 2008 FEMA issued the 2008 Disaster Housing Plan. This plan was issued for the 2008 hurricane to describe FEMA's approach to working with state and local governments for this season including how to maximize existing resources, use traditional innovative forms of interim housing and use authority for permanent construction. While related to the National Disaster Housing Strategy, this plan is separate and unlike the Strategy is currently in effect.

At the hearing, FEMA will receive testimony from Harvey Johnson, Deputy Administrator of FEMA on the National Disaster Housing Strategy.

GOVERNMENT ACCOUNTABILITY OFFICE ("GAO") REPORT ON VOLUNTARY AGENCIES ABILITY TO PROVIDE MASS CARE IN CATASTROPHIC EVENTS

In 1900, the American Red Cross received a federal charter that outlined its primary role in disaster relief and mitigation. Currently, this organization serves as one of the primary mass suppliers of relief in federal disasters but under the National Response Framework, which came into effect this year, FEMA has assumed the primary responsibility for "Emergency Support Function Six – Mass Care, Emergency Assistance, Housing and Human Services" The American Red Cross is a support agency for this function. The GAO report appears to support this arrangement.

On September 18, 2008, the Government Accountability Office released a report: "*Voluntary Organizations: FEMA Should More Fully Assess Organizations' Mass Care Capabilities and Update the Red Cross Role in Catastrophic Events*". The report concluded that a major crisis such as a nuclear attack in Washington, D.C. or an earthquake in Los Angeles would overwhelm FEMA's capabilities and resources. In addition, it faults FEMA with not assessing the capabilities of

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[4] U.S. Department of Homeland Security, Federal Emergency Management Agency, *National Disaster Housing Strategy*, p.11

[5] Ibid. p. 33.

[6] Ibid. p. 1

[7] U.S. Senate Committee on Homeland Security and Governmental Affairs, Ad Hoc Subcommittee on Disaster Recovery, "Planning For Post-Catastrophe Housing Needs: Has FEMA Developed an Effective Strategy for Housing Large Numbers of Citizens Displaced by Disasters?", July 30, 2008.

volunteer disaster organizations such as the American Red Cross, not training enough volunteers, and not delineating clear objectives for these organizations in case of a disaster of a large magnitude.

On September 10, 2008, the American Red Cross requested $150 million for Fiscal Year 2009 for its disaster relief fund to address increased demands on funds to support current disasters that have not been met by current fundraising.

PRIOR LEGISLATIVE AND OVERSIGHT ACTIVITY

In 110th Congress, the Committee on Transportation and Infrastructure acted on the following bills related to FEMA, the Stafford Act, and disaster assistance:

- **H.R. 6658, the "Disaster Response, Recovery, and Mitigation Enhancement Act of 2008"**: This legislation amends the Stafford Act to improve the assistance the Federal Government provides to states, local governments, and communities after major disasters and emergencies. On July 31, 2008, the Committee ordered H.R. 6658 reported to the House.

- **H.R. 6109, the "Pre-Disaster Mitigation Act of 2008"**: This legislation reauthorizes FEMA's Pre-Disaster Mitigation Program and makes improvements, including codification of the competitive aspects of the program. On June 23, 2008, the House passed H.R. 6109 by voice vote.

- **H.R. 3247, the "Hurricane Katrina and Rita Recovery Facilitation Act of 2007"**: This legislation provides additional Federal relief targeted to the recovery from Hurricanes Katrina and Rita in Louisiana and Mississippi. On October 29, 2007, the House passed H.R. 3247 by voice vote.

- **H.R. 3224, the "Dam Rehabilitation and Repair Act of 2007"**: This legislation establishes a program to provide grant assistance to states for use in rehabilitating publicly-owned dams that fail to meet minimum safety standards and pose an unacceptable risk to the public. On October 29, 2007, the House passed H.R. 3224 by a recorded vote of 263-102.

- **H.R. 1144, the "Hurricanes Katrina and Rita Federal Match Relief Act of 2007"**: This legislation provides significant relief for communities devastated by Hurricanes Katrina, Rita, and Wilma, by raising the Federal cost share for critical disaster relief programs to 100 percent and by authorizing the cancellation of Community Disaster Loans under certain conditions like all previous Community Disaster Loans. H.R. 1144 was enacted as part of P.L. 110-28, the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007".

In the 110th Congress, the Committee also collaborated with the Committee on Financial Services on H.R. 1227, the "Gulf Coast Hurricane Housing Recovery Act of 2007", to ensure that Louisiana is allowed to use Hazard Mitigation Program funds for its Road Home program. H.R. 1227 passed the House March, 21, 2007.

In the 109th Congress, Congress enacted the Post-Katrina Emergency Management Reform Act of 2006 (Title VI of P.L. 109-295).

In the 106th Congress, Congress enacted P.L. 106-390, the Disaster Mitigation Act of 2000.

In the 110th Congress, the Committee has held numerous hearings related to FEMA and the Stafford Act, including:

- "Role of the Federal Government in Small Business Disaster Recovery" (September 12, 2007)
- "Moving Mississippi Forward: Ongoing Progress and Remaining Problems" (June 19, 2008);
- "Saving Lives and Money through the Predisaster Mitigation Program" (April 30, 2008);
- "National Flood Plain Remapping: The Practical Impact" (April 2, 2008);
- "Readiness in the Post Katrina and Post 9.11 World: An Evaluation of the New National Response Framework" (September 11, 2007);
- "Assuring the National Guard is as Ready at Home as It is Abroad" (May 18, 2007);
- "Legislative Fixes for Lingering Problems that Hinder Katrina Recovery" (May 10, 2007);
- "National Levee Safety and Dam Safety Programs" (May 8, 2007);
- "FEMA's Preparedness and Response to All Hazards" (April 26, 2007);
- "FEMA's Emergency Food Supply System" (April 20, 2007); and
- "Post-Katrina Temporary Housing: Dilemmas and Solutions" (March 20, 2007).

WITNESSES

The Honorable C. Ray Nagin
Mayor
City of New Orleans, Louisiana

Admiral Harvey Johnson
Deputy Administrator and Chief Operating Officer
Federal Emergency Management Agency

Mr. Joseph Becker
Senior Vice President of Preparedness and Response
American Red Cross

Ms. Cynthia Fagnoni
Managing Director of Education, Workforce, and Income Security Issues
Government Accountability Office

HEARING ON FEMA'S RESPONSE TO THE 2008 HURRICANE SEASON AND THE NATIONAL HOUSING STRATEGY

Tuesday, September 23, 2008

HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS AND EMERGENCY MANAGEMENT,
Washington, DC.

The Subcommittee met, pursuant to call, at 2:07 p.m., in Room 2167, Rayburn House Office Building, Hon. Eleanor Holmes Norton [Chair of the Subcommittee] presiding.

Ms. NORTON. We are pleased to welcome all of you today to our hearing, especially our witnesses, on FEMA's response to the 2008 season and on the National Disaster Housing Strategy.

This year's hurricane season has been unusually active and once again has had dramatic impact on America's Gulf Coast region. The President has declared 13 disasters or emergencies under the Stafford Act hurricanes and tropical storms in the 2008 season, however, including Tropical Storms Edouard and Fay, and Hurricanes Bertha, Dolly, Gustav and Ike. More than 2 million people were evacuated in the wake of Hurricanes Ike and Gustav. American people must be assured in the midst of yet another powerful hurricane season that the country is prepared for seasonal and terrorist events alike and that FEMA has developed a coherent housing strategy for addressing the inevitable aftermath of large scale disasters.

We can make no final judgment until all the evidence is in, but the Federal, State and local authorities appear to have done a credible job in evacuating citizens away from hurricane danger.

At the same time, despite improvements from 3 years ago, a number of problems may remain, such as emerging complaints that New Orleans' poorest residents were transported on buses with no announced destination and warehousing and crowded and substandard conditions. If so, we fear that the next time many residents may choose to remain in place as they did during Hurricane Katrina.

I spoke with FEMA Administrator David Paulison as the evacuation was beginning. His assurance concerning complete evacuation materialized, but he also spoke of specific destinations and prepositioned supplies that complaints from Louisiana now call into question.

To address the issues of accountability that were on stark display during the Katrina response, Congress passed out Post-Katrina Emergency Reform Act 2006, which described directives that were necessary to prepare for the next disaster. Among the most important was a mandate to FEMA to submit a report to Congress describing the National Disaster Housing Strategy.

In response FEMA drafted a housing strategy and requested public comment on July 24th, 2008. In anticipation of this hearing, which was previously postponed at FEMA's request, I appreciate that FEMA extended the comment period on this important policy so that comments from today's hearing could be included on the public record.

The Post-Katrina Act requires the FEMA Administrator to ensure that a new National Disaster Housing Strategy provides a comprehensive approach to housing victims of a disaster for the immediate and for the long term as needed, consistent with the Administrator's role as the principal emergency management adviser to the President.

In reviewing and analyzing the National Disaster Housing Strategy, today's hearing will help the Subcommittee understand the strategic strengths and weaknesses within the context of the Post-Katrina Management Reform Act. The aftermath of Hurricanes Gustav and Ike also should help us gauge the effectiveness of the Post-Katrina Management Reform Act and of FEMA's first significant test under the act.

We especially appreciate testimony we will receive today from Mayor Ray Nagin of New Orleans about the most recent responses after Gustav and Ike came ashore, the evacuation, the ability of FEMA, the city and State to provide the needed assistance and progress in New Orleans since Katrina. It will be important to hear of improvements that the City of New Orleans, the State of Louisiana and FEMA have made in responding to these hurricanes, but equally important is testimony concerning other important elements of preparation and response, including planning and consultation among the authorities that were involved, as well as the remaining challenges that they see.

As we focus on the condition of citizens after the storm, this Subcommittee also is particularly concerned about the role and responsibilities of the American Red Cross, a congressionally chartered organization which has major assistance roles to play in recovery from disasters.

A recent GAO report found that the Red Cross and other disaster relief charities such as the Salvation Army and the United Way of America are unprepared to meet mass casualty needs in the aftermath of a major disaster. We have called both GAO and the Red Cross to testify today in light of the GAO's finding that a large scale disaster could overwhelm the Red Cross and other charities that have Federal responsibilities for assisting the government and providing assistance to victims of disasters.

In the aftermath of the devastation of Katrina, we must look at issues differently and more broadly and take the required action. If the Red Cross is expected to play a role in recovery from major disasters, we must work with FEMA to define the function that the

Red Cross and other relief charities realistically can perform to supplement the Federal Government's role.

We look forward to hearing from today's distinguished witnesses and thank them in advance for preparing testimony.

I am pleased to ask the Ranking Member, Mr. Graves, if he has a statement at this time.

Mr. GRAVES. Thank you, Madam Chair. If it is all right, I would like to yield to Representative Mica, who is Ranking Member of the overall Committee.

Ms. NORTON. Mr. Mica.

Mr. MICA. Well, thank you for conducting this hearing today. I won't be able to stay for the entire hearing, but I use my opening statement to raise a number of issues. As you know, my area has been hit with hurricanes, floods, tornadoes, fires. I think we have had everything but locusts and we are working on a plan to possibly deal with that.

So we have had a little bit of experience with FEMA and some of the FEMA witnesses I see here. These will be my questions. In fact I want some written responses from FEMA on a couple of these issues.

One of the things we found dating back to our hurricanes is we have multiple FEMA officials coming in, I guess like in Katrina or all the different hurricanes that we had. We had three in my district. We had different officials come in and I think it was well intended, they came in and gave direction to local officials. Those preliminary officials were changed out with other officials who came in and made other decisions and interpretations of rules, regulations and all of the above.

Then we had, as time progressed and the agency changed their personnel out, we had other people coming in and giving us other opinions, suggestions, recommendations and edicts, sometimes countermanding the previous two. In some instances we are now on our fourth set of officials, giving the fourth interpretation of whatever opinion we were seeking. So this is something we are going to have to work on to do better.

The other thing is multiple audits. Congress created this as a result of Katrina, but—and we don't want fraud, we don't want waste, we don't want abuse, but we have got audits upon audits and agency upon agency involved in this process. Somehow we need to get this straightened out. In fact, I have got auditors down in my district still auditing from other audits. So that is number 2 and I would like a little response on that.

Number 3, the debris removal problem related to public versus private land. In many instances you couldn't get to public land unless you went across private land. Somehow we have got to figure out a better way for reimbursement and better definition of who gets reimbursed in what situations, because now we are running around in circles chasing our tails on reimbursement, public versus private land.

Travel trailer loans and transfers, that requires some Stafford Act amendments, still a disaster. We will even take them with the formaldehyde. Just what people need in a disaster. I have had six attorneys on the phone during a crises trying to get 150 trailers on an emergency basis while FEMA is paying rent on them down the

street in a lot and couldn't—it just makes absolutely still no sense, but that oneis under Congress, so chalk that one up.

Finally, the grant approval time frames need expediting, and that I guess is somewhat in our corner, too.

Madam Chairwoman, I just wanted to add my two cents to this and hopefully at least on the first three we can get some response from FEMA in writing after this hearing or verbally transmitted to the Committee. Thank you for the hearing, and I yield back.

Ms. NORTON. Well, thank you, Mr. Mica. Mr. Graves, do you have anything to say at this point?

Mr. GRAVES. Thank you, Madam Chair. I think I will just submit my entire statement for the record. But I would like to asked Admiral Johnson, if you would, please convey to Chief Paulison and all the folks at FEMA how much we appreciate your dedication and hard work. We know this is a work in progress, the post-Katrina reforms. We have got a lot of ground to cover yet before we get there, but I would appreciate you doing that.

Madam Chair, I will submit my entire statement for the record so we can move on with the hearing.

Ms. NORTON. Could I ask Mr. Arcuri if he has any statement.

Mr. ARCURI. No questions.

Ms. NORTON. Thank you very much. I would like to call our first witness. I am very pleased to welcome the Honorable Ray Nagin, the Mayor of New Orleans. The mayor knows we have been trying to get down there. We discovered the first time we tried that because Katrina decided to arrive as Labor Day approached, you couldn't get anyone to go with you, and therefore every anniversary we are plagued with the same issue. And I am delighted to welcome you so we could get your progress report, this time apparently not only on Katrina and what has happened since then, but the fact that you have been subjected to yet other hurricanes since. So we pleased to have your testimony at this time.

TESTIMONY OF THE HON. C. RAY NAGIN, MAYOR, CITY OF NEW ORLEANS, LOUISIANA

Mr. NAGIN. Thank you to Chairwoman Eleanor Holmes Norton, to Ranking Member Sam Graves of the House Transportation and Infrastructure Subcommittee on Economic Development, Public Buildings and Emergency Management and to all distinguished Members of the Committee, panel and guests. I am C. Ray Nagin, Mayor of the City of New Orleans.

Our great city is facing the challenge of rebuilding after 2005 Hurricane Katrina, the worst natural and man-made disaster to occur in the United States of America. We also had the challenge of dealing with Hurricane Rita right behind that one. We were threatened and touched by two more devastating hurricanes this season that recently hit the Gulf Coast region. Those were Hurricane Gustav and recently Hurricane Ike.

I have submitted my testimony to this Committee. I would like to briefly touch on a couple of different areas. First is to update you on 2008 and what happened this year as relates to FEMA: talk to you a little bit about our updated plans; our city assisted evacuation plan; and talk to you about a need for a national evacuation plan and sheltering proposal. I will touch on FEMA and supplies

and some issues that we saw this past season. I will touch on hurricane protection and some of the things we are working on: housing, trailers and a few Stafford Act revisions. Hopefully I will do that in a short period of time.

Hurricane Gustav posed a serious threat to New Orleans as it approached the coast of Louisiana. We are fortunate that although parts of our city had damage and our electrical power infrastructure received a temporary crippling blow, the partially restored 100-year flood and levee protection system in the city held and we were spared the widespread destruction that the other areas of our State experienced.

America's investment in the levee protection system in New Orleans seems to be paying off. We just need to pick up the pace and finish that great work and get to the 100-year flood protection.

My prayers go out to the people of other parts of Louisiana and our neighboring State, Texas, who felt the brunt of two devastating storms, Gustav and Ike. I personally visited Terrebonne Parish and other parishes around our State and we have offered our assistance there. I have also spoken to the leadership in Houston and Galveston and have committed to doing anything that my city can do to help them in their response and recovery.

It is my hope and prayer that they will not encounter difficulties that we experienced during the past 3 years in accessing assistance from Federal agencies charged with supporting response and recovery. However, based upon my preliminary conversations with leaders in this area, they are still having some of the same experiences even though things have gotten somewhat better.

We appreciate all that Congress has done to support us, and we urge you to continue to work to implement changes that will be valuable to us and all communities preparing for emergencies and rebuilding their homes and lives.

Let me briefly touch upon our city assisted plan that we have been practicing for 2-1/2 years. We have a plan that is called our City Assisted Evacuation Plan, a comprehensive plan to evacuate citizens who cannot leave on their own because of financial, medical or other reasons. This plan utilizes city buses to pick up residents from 17 designated pickup locations throughout the city and transfer them to a central location for processing, the Union Passenger Terminal. At the Union Passenger Terminal those residents are then transported by buses contracted by the State of Louisiana, Amtrak trains and airplanes contracted through the Department of Defense to shelters in northern Louisiana. And as the Chairlady mentioned earlier, there were significant problems with some of the shelters in northern Louisiana as far as where they were set up, how they were set up and what types of services were provided. We got many complaints.

Fortunately, using this process we evacuated approximately 18,000 of our residents who were our most vulnerable citizens to safety. Our capacity for this process is around 30,000 citizens that can be processed effectively. Combined with those who use their own means of transportation, every resident who heeded our warning was able to leave this time.

The New Orleans Police Department did a great job, and their estimates are there were only 5,000 to 10,000 people remaining in

the City of New Orleans. That is an evacuation of 97.5 percent of all of our citizens. During Katrina we thought we had done a pretty good job, but we only got out 90 percent of our citizens. So we just about got everybody out of our city. We were part of a much larger evacuation of 1.9 million citizens.

As we move forward there are many things that we can improve upon, but we have seen some improvements already. I would like to make a couple of points. First, I would suggest to this Committee that we need a national plan for regional evacuations that use assets such as Amtrak and airplanes for transportation. We found in this latest example with Gustav that that was the most efficient way that we could get people in and out of our city. And we did something that I didn't think was possible: we emptied our city out and repopulated it in about 4 days. And if we had had power we probably could have done it a little bit more quickly on the back-end side.

We also suggest to you that we need to have a Federal sheltering plan in place. Really the sheltering problem that we experienced with the State is one that could be solved if there was a Federal plan in place. This can be utilized both pre-event and post-event, because we saw after Gustav and Ike is that there is a need to house people even after a disaster has passed. We think the Federal Government can help to coordinate that.

We did notice some challenges this time also with ice and MREs and tarps. We did have an immediate supply, but we think that that needs to be stepped up. There was a shortage of supplies and when Ike came down, Texas was also challenged. Tarps sometimes took 7 days to access.

I would encourage this Committee to help us to finish the flood protection system, the 100-year flood protection. The Corps of Engineers is telling us that they won't be finished until 2011. That is 6 years after Katrina. We can no longer afford to play Russian roulette with these storms. We need that 100-year flood protection.

On the housing front we still have many of our citizens who are in travel trailers. And Congressman Mica, if you want a few travel trailers we might be able to accommodate you. We have more than our fair share in our great city. And if you like formaldehyde we have plenty of those, too. We are working to get people into their homes.

Part of the problem that we are having is with the Road Home Program, which handles the grants that citizens need to rebuild their lives. Only 69 percent of those applicants have received awards from the State. So many people are kind of stuck in these shelters, in these travel trailers. So we are hoping that we can move that expeditiously, those grants, so people can get out of those shelters.

As far as FEMA and a comprehensive housing policy, we have not seen that yet. We are hoping that we can get to a better place other than just travel travelers, but we haven't seen that yet. And we are concerned because the housing assistance program that FEMA does have is scheduled to expire March 1st. We still have people waiting on Road Home checks and still in trailers. So we hope that that program can be expedited.

Another issue is with the Stafford Act, and I am closing now. The Stafford Act has been modified somewhat, but we think there are still some significant areas for change for major catastrophes. FEMA seems to be able to handle a hurricane or minor flooding, but major catastrophes still cause problems. We think that a significant area to look at is having a catastrophic disaster category where there will be special rules associated with that, whether it be advances for municipalities that have been shut down or other things.

We also think that there needs to be a third party dispute resolution process put in place. If you have a problem with FEMA right now on anything dealing with restoring a public facility, there is nowhere for you to go outside of the FEMA system. So a formal, public dispute resolution process would be great going forward.

Madam Chair, I think I am going to pass on the rest of this because it is in my testimony. I want to thank this Committee once again for helping us throughout this Katrina experience and the 2008 hurricane season. New Orleans and our region are critically important to this Country and we are significant in terms of our contributions to the Country's energy supply, international trade, fishery industry and culture. But unfortunately hurricanes as a force of nature will continue and they are affecting many States, from Louisiana, Texas, Mississippi, Florida, et cetera. We must resolve to work collaboratively to make sure that we have a response that is appropriate for these type of disasters.

Thank you.

Ms. NORTON. Thank you very much, Mayor Nagin. I want to first ask you how you would characterize the status of recovery, leaving aside for a moment the visits of Ike and Gustav, how would you characterize the status of recovery in New Orleans for years later; for example, population return.

Mr. NAGIN. Yes.

Ms. NORTON. Return to schools, and businesses reopen and help from FEMA, et cetera, any way you would like.

Mr. NAGIN. We are still a tale of two cities. We have about 72 to 75 percent of our population back in the City of New Orleans. There are many people still waiting to get back into the city, but we have challenges still with affordable housing. We still have four of our major housing developments that are going through the HOPE VI transition but haven't broken ground yet. Our school system is back up and operational; we are building new schools. We have about the same percentage of our students who are back, but the public education system in New Orleans is transitioning into a model of not only elected officials running the school district, but we have charter schools. You name it, we have it in the City of New Orleans. The jury it still out on that.

As far as businesses are concerned, our hospitality industry is doing quite well. Major businesses, about 90 something percent of them came back after Hurricane Katrina and they are doing okay. Our health care sector is still fairly stressed. We are hopeful that a new VA hospital will be built in our city and it looks like that is going to happen.

But if you go into areas like the Lower Ninth Ward, which has gotten a lot of profile from the press, you still will see devastation.

And there are lots of slabs from demolished homes in that area and throughout the city. We are still working back and forth with FEMA on whether the cost of removing those slabs will be a cost that is eligible for reimbursement. So we are a tale of two cities.

Ms. NORTON. That sounds like there is progress.

Mr. NAGIN. There is progress.

Ms. NORTON. And New Orleans is rising again.

Perhaps I should—because I know he can't always stay—this hearing is of such importance that the Full Committee Chair, we have already had the Ranking Member of the Full Committee Mr. Mica come, the Full Committee Chair is here as well, Mr. Oberstar.

Mr. NAGIN. Good to see you, sir.

Mr. OBERSTAR. Thank you, Madam Chair for the hearing. Mayor Nagin, we welcome you back to the Committee room, it is always good to see you.

Mr. NAGIN. Good to see you.

Mr. OBERSTAR. We didn't usually see you in a tie and shirt. We see you in some state of distress with your shirt sleeves rolled up.

Mr. NAGIN. Yes.

Mr. OBERSTAR. Or short-sleeved shirts and a worried look on your face.

Mr. NAGIN. Yes, yes.

Mr. OBERSTAR. I would just repeat what I said at the first hearing 3 years ago. New Orleans taught America how to cook, how to eat, how to live, how to preserve culture. It was the Battle of New Orleans that united America, made us realize we were a nation, not just a collection. And we owe it to New Orleans to rebuild this city, we still owe it, and that job is not by any means done.

Mr. NAGIN. Yes.

Mr. OBERSTAR. Ms. Norton has hosted 12 hearings on post-Katrina issues and FEMA. She has been relentless in pursuit of the need for the Federal Government to do a better job in responding, supporting our citizens and responding to natural disasters. Those are calamities not of the city's doing, not of the State or the Nation's doing, they happen.

While terrorist acts can be a long time in the plotting and we never know when they are going to come, we know every year there is going to be a hurricane. We know in the north there is going to be a snowstorm. We know there are going to be droughts in the West and floods in other parts of the Country, and we need to be prepared for those.

So preparedness. There was an Office of Emergency Preparedness at one time, it was an Office of Civil Defense in its origins. There was a time in 1987 when the then Reagan administration proposed to effectively eliminate the Federal role in disaster response. It was a Subcommittee on Investigations and Oversight of this Full Committee, which I Chaired at the time, which mobilized the Nation. We held hearings bringing civil defense authorities from all over the Country. And out of those hearings we crafted the bill that created what we know today as FEMA.

Now a little historical footnote, I gave that bill in draft form to the Republican Member of Congress from Pennsylvania who first brought the issue to our attention. And my Ranking Member at the time was Bill Clinger, a Republican of Pennsylvania. I told this

Member, I want you to introduce this bill. He said, but I am in the minority. I said yeah, but you had the courage to bring that issue to our attention. We have crafted the bill and you ought to introduce it, besides the Republican administration needs to you to lead the effort. We got the bill enacted. His name? Tom Ridge.

When he became Secretary of Homeland Security he came up to see me. He said you started me on this course. Well, that journey is not finished and FEMA does not belong in Homeland Security, it belongs in the independent Office of the President or in a Cabinet level or sub-Cabinet level, an independent structure with a liaison, a linkage to Homeland Security, but not messed up in the Interior.

What happened with FEMA when Homeland Security was created was exactly what I predicted would happen at the time the Homeland Security Department was created. That money would be siphoned off and personnel would be drained away from the agency. And in the first 6 months of Homeland Security 250 of the top personnel of FEMA were sent elsewhere in the Department and $500 million of the budget was siphoned off elsewhere. And when the Katrina disaster struck they didn't have the key personnel in place to help you, to help the State and to help other States, Mississippi and Alabama, and east Texas, to respond.

Now, we are going to take the lessons learned. We have already passed the bill last year to reform a good deal of FEMA. I would hope that, as we affectionately call them, the other body will move that legislation. There has been some action over there, and quite possibly Madam Chair will be able to conclude the action on the bill before the end of this session. It is still up in the air. It isn't going to address all of the needs, but it will address a good many of them.

But we are going to restart next year. We will need your contribution again, as you have done so willingly many times, and reshape top to bottom. We need a top to bottom review of FEMA and restructure it and recreate it. There already have been 13 hurricane events in this season.

Mr. NAGIN. Yes.

Mr. OBERSTAR. If you look at a chart going back into the 1980s, the cost of natural disasters just escalates extraordinarily, and the cost to the private insurance sector and to the public sector, both Federal and State and local. That is one thing we know is going to continue to happen with global climate change. So with what we have done in the Water Resources Development Act to rebuild the wetlands in Louisiana, to close out the Mississippi River Gulf outlet——

Mr. NAGIN. Yes.

Mr. OBERSTAR. —that caused the disaster that over topped St. Bernard Parish that nearly wiped out the Islenos culture, that should never have happened and didn't happen when that wetland between Lake Borgne and St. Bernard was intact.

Mr. NAGIN. Yes.

Mr. OBERSTAR. But once the Mr. Go was developed, the salt water came in, the intrusion killed the wetland, the marsh grasses landed on top of the houses. I have never seen a situation where

whole homes were lifted up, floated away with their concrete pad intact and went as much as three blocks.

Mr. NAGIN. Yes.

Mr. OBERSTAR. One home I saw, Madam Chair, stopped only when it bumped into a house that didn't move. And after 6 months the homeowner of the intact home sued the other guy for collision damage. I said, why did you do that? He said, what else are we going to do? The Corps isn't helping us out, FEMA isn't helping us out, no one can help us out. So we just thought for a little excitement we would have a lawsuit. That shows a lot of resiliency in the people, but it shows a failure of the public sector.

You have experienced a great deal of dislocation and disruption. You have led the effort to rebuild your community. You have been a stalwart and we need to reward that effort with a much better Federal partnership and response. And under the leadership of Ms. Norton and Mr. Graves on the Republican side and a bipartisan effort, we are going to do that. I pledge that to you.

Mr. NAGIN. Thank you, sir.

Ms. NORTON. Mr. Graves, do you have any questions at this time?

Mr. GRAVES. Thank you, Madam Chair. Thank you, Mayor, for coming in. We appreciate it very much. You were talking about some of your city recovering and some things. Population wise, how much population have you lost?

Mr. NAGIN. About 75 percent is back, and around 100,000 people that still have not been able to come back.

Mr. GRAVES. Do you think they are just never going to come back or they still don't have their homes?

Mr. NAGIN. I think a percentage have settled in where they are, but there is a significant percentage of those individuals that still would like to move back to New Orleans, but because of affordable housing issues and Road Home issues with their grants, many of our citizens struggled with their insurance companies, the whole wind versus flood debate, and there are some financial gaps, but we are trying to help them out as best we can.

Mr. GRAVES. And how about in your local government changes, what changes has your city government made to get ready for hurricanes in the future or changes you made as a result of what happened in Hurricane Katrina?

Mr. NAGIN. Right after Katrina, while we were starting the rebuilding process, we started immediately planning for the next major hurricane. We have evaluated just about every one of our processes. We went up to Emmitsburg, Maryland, I think it is, which is a FEMA training facility. I took my whole team through that. We practiced, had exercises throughout the year. We have adjusted our evacuation plans and re-entry plans, and we have put more resources in our disaster management group. And we performed pretty well during Gustav.

Mr. GRAVES. I congratulate you on being able to remove—what did you say, 96 percent?

Mr. NAGIN. No, it was about 97 percent of our citizens in 4 days, emptied and repopulated the city in 4 days.

Mr. GRAVES. Big job.

Mr. NAGIN. I don't know of any other city that can do that.

Mr. GRAVES. Thanks, Madam Chair.

Mr. NAGIN. Thank you.

Ms. NORTON. Mr. Arcuri?

Mr. ARCURI. Thank you, Madam Chair. Mayor, first of all, thank you very much for being here. I just want to thank you for what you did. You symbolized for the rest of the country the resiliency and fight in New Orleans. Thank you for what you have done.

Mr. NAGIN. Thank you.

Mr. ARCURI. Mayor, I am from upstate New York, and we have had a few 50-year floods, nothing to the degree that you have had, but we have had some serious damage. One of the things that we talk about is the importance of FEMA in doing some of the—the actions beforehand, buying up some of the homes in the flood plains in the areas. You are sort of in a unique place. You have seen what happens on the front end and then you have seen what happened this year, granted not to the same degree of Katrina, but when the right things are done the prevention that can take place. Can you share with us just some of your thoughts in terms of, you know, on how important it is to spend money on the front end so you can save money on the back end?

Mr. NAGIN. Well, there are a couple aspects that I can refer you to. First is our hurricane protection system. I know Congress worked very hard, but the billions of dollars you put forward we didn't have any catastrophes as it relates to that. We had to confiscate some land or help the Corps to confiscate some land from our citizens, but that allowed the Corps to build the protection systems that we desperately needed.

The other thing I can point you to is that FEMA was able this time to preposition some assets, some MREs, some water, some ice. Even though we ran short of supplies, that saved us time and effort on the back end, if you will, once the storm hit. So those are two things that I think we could continue to work through.

And I will tell you another thing that would help a lot. FEMA is starting to prioritize the types of repairs that you can do after an event, whether they be police stations, fire stations or what have you. I think they have taken some of the lessons they learned in New Orleans and are applying those to Texas and some other places. The reason why I bring that up is because it took us such a long time to get our criminal justice system back up and operational; we experienced damage, and we experienced crime that cost us and the Federal Government a lot of money. By prioritizing those efforts, I think that can be avoided in other places.

Mr. ARCURI. After Katrina did FEMA buy some of the area or some of the land where houses were in dangerous areas or dangerous zones?

Mr. NAGIN. The State did through the Road Home Program. So for example, if a citizen was in a low lying area that is repeatedly flooded, you can opt to either rebuild your home higher or safer or you could sell that property. And there were a significant number of people who took that option.

Mr. ARCURI. Was it successful?

Mr. NAGIN. We are still in the middle of it, but based upon the properties, a map of the properties, it looks as though some really low lying areas, just about everybody sold their properties, which

was smart because the marketplace made an intelligent decision. We kind of gave them the guidance, here is the levee protection system, here are the risks, here is what you face going forward, and people made intelligent decisions.

Mr. ARCURI. I guess the big question is, is it worth it financially, do you save money on the front end by buying up those parcels as opposed to, you know, the back end after the damage already occurs?

Mr. NAGIN. Well, normally I would have totally agreed with you. I think that still makes some sense. But these storms are different now. For the first time this year I have noticed with, let's take Gustav and Ike, they came in so fast that normally storms run at about 5 to 8 miles an hour when they come in. These were coming in at 12 to 15 miles an hour. They had so much momentum that they went so deep inland. I mean, Ike had flooding that it caused in Ohio. So, I don't know if you are going to be able to buy up enough property with the type of storms that we are seeing. The only thing I can see us doing is work on global warming and let's get some coastal restoration. Then I think we are going to be okay.

Mr. ARCURI. Thank you very much, Mayor, appreciate all of your work.

Mr. NAGIN. Thank you.

Ms. NORTON. Thank you, Mr. Arcuri. Mayor, I want to ask you about something in your plan and also some reports we have heard. I mean in your testimony you speak of some issues involving information between the city and the State. I ask this because I spoke with Mr. Paulison as the evacuation was occurring, I think it was Labor Day, I know everybody was home. I managed to get him. He gave me a very good and full report and assured me there would be evacuation, and there was a full evacuation.

He told me as well that there were destinations. He gave me examples of destinations, a number of destinations all the way into Alabama. And he said that there were not only predesignated shelters, but there were predesignated supplies.

First, I have to ask you about the predesignated shelters, because if there were predesignated shelters why did so many of them—the figure we received was as many as a thousand of the poorest people who were apparently transported by buses and apparently didn't know where they were going—I don't know why not tell them, they are going to come home—found themselves in something, shades of Katrina, in some huge warehouse, and there were no bathing facilities, they were crowded. It was apparently a very serious substandard state.

Mr. NAGIN. Yes.

Ms. NORTON. They may have been there for a week. Did you know ahead of time that people would be going there? And do you have any idea how that happened? That is the only one we heard of.

Mr. NAGIN. I will just give you what I know. The city's responsibility is to get our citizens from their places, if they need it, to a central location, utilizing our transportation medium, and then get them to the point where we can hand them off to the State for transportation to the shelters, whether they be in State or out of State. That is our responsibility. FEMA——

Ms. NORTON. Are you saying that you can't take them even to a shelter in State if it is not in your jurisdiction?

Mr. NAGIN. No. The State of Louisiana is responsible for that.

Ms. NORTON. So they might have to get off something and get on something else or they just pick up the responsibility?

Mr. NAGIN. Only one time. We get them to the Union Passenger Terminal, we register them, and then they get on either a bus, plane or train and they go somewhere that is basically out of our control.

Now, it is my understanding that FEMA was coordinating out of State shelters with the State and those were pretty well determined. I think we had Alabama and Memphis. Tennessee and Texas were taken out of play because of the direction of the storm. But those were pretty well established and we knew about them. The problem was in State. There were buses that we would put our citizens on, but the State contractor didn't know where they were going because the State locations had not been fully articulated.

Ms. NORTON. But it was not on a bus to nowhere?

Mr. NAGIN. Some were. And we had to direct some—because we were getting a backlog at the Union Passenger Terminal. We directed the buses just to start moving north. And we would communicate with them the exact location, which ended up working out. But it seems as though the State——

Ms. NORTON. Does that mean that the State was late in finding sheltering space and hadn't preplanned for where people might go after in case they left New Orleans?

Mr. NAGIN. It appeared as though everything that should have been prepositioned as it relates to shelters in the State was not completed until a very late time.

Ms. NORTON. You suggest a need for planning in the future been the State.

Mr. NAGIN. Yes, either the State needs to let us know much earlier or FEMA can take responsibility for in State and out of State sheltering. I don't know if that is something they would want to do, but there are three different levels of government that are dealing with these disasters and it just needs to be a little better coordinated on the sheltering side. That is if we have any trouble going forward. I worry about that aspect of what we did.

Ms. NORTON. Well, you mention that there were shortage of some supplies like ice and so forth.

Mr. NAGIN. Yes, that happened from the standpoint of after a few days, I think we were able to set up what they call PODs, which are basically distribution centers for people to pick up ice, water and MRE's. We were only able to man three PODs throughout the entire city, three locations. And then we ran out of supplies after 2 or 3 days.

Ms. NORTON. Who was providing those supplies?

Mr. NAGIN. That was through the Corps and through FEMA.

Ms. NORTON. We will have to find out what happened there.

We heard also of food stamps that had to be activated. Now I understand that there were—with all the overwhelming catastrophe of Katrina, you would expect somebody to take advantage of it. So there were some people who got food stamps who never should have gotten it. But there were complaints from some that you have

food stamps and then you can't use it until it is activated. I can't even tell how you get it activated or how you know when it has been activated. I mean does it buzz?

Mr. NAGIN. There was a program, a benefit that people who normally do not qualify for food stamps can come in and get a card and, based upon your income level and how many people in your household, you can get up to $500 worth of value on that card. The problem was they forced everybody to come in and do a face-to-face process, which caused one problem. And then secondarily the system was overwhelmed. Their technology was overwhelmed where it took 72 hours before the card was activated. In some cases it was never activated. So it was kind of a mess.

Ms. NORTON. So this was after they had done the face-to-face?

Mr. NAGIN. This was after. It was a mess and I think somebody resigned at the State as a result of it.

Ms. NORTON. In the State or at FEMA?

Mr. NAGIN. State.

Ms. NORTON. I see. So that activation of food stamps——

Mr. NAGIN. Was a State responsibility.

Ms. NORTON. Was a State responsibility, not a FEMA responsibility?

Mr. NAGIN. Not that I am aware. I am sure the Admiral will come up and correct me, but I think it was a State responsibility.

Ms. NORTON. I can't but help and ask you about the levees. We were all nervous about the levees, and please don't do this to New Orleans again. What does that tell us? Does it tell us that the storm wasn't so strong as to test the levees or does it tell us that the levees are truly stronger because of the work that you have done?

Mr. NAGIN. I think it tells us that America's investment is starting to pay off, but we are just not finished. It tells us that we can handle a Category 3 storm that dissipated once it got to shore.

Ms. NORTON. Katrina was a Category?

Mr. NAGIN. Was at least a 3.

Ms. NORTON. So it has already done its damage there, and yet you can handle a 3 now?

Mr. NAGIN. Yeah, we think we can handle a 3 coming in that direction. Katrina came in a different direction. So we didn't test the system exactly.

Ms. NORTON. It wasn't the same levees that were being tested, was it?

Mr. NAGIN. Yeah, but it was much more comprehensive. Gustav came more from south to north. Katrina came from the east going west over Lake Borgne and hit the Lower Ninth Ward in New Orleans east. Much, much stronger. The levees held. Now what was scary to some people is that the water levels got to the maximum levels that that particular levee could handle.

Ms. NORTON. Yes, we saw water going over.

Mr. NAGIN. Yeah, but it was wind. And I think we are going to have that even in the best of scenarios; we may have some over topping. As long as the levees do not fail and start crumbling, I think we will be okay. We have a pumping capacity once the water gets in the city and as long as those pumps are not under water we should be okay.

Ms. NORTON. Your folks have shown extraordinary courage coming back and building and coming back to maintain themselves. Can they get insurance on their homes?

Mr. NAGIN. They can get it, but it is very expensive. One of the things that most of the coastal communities are experiencing is increased cost of insurance. At the time when the insurance companies are recording record profits, it is really kind of puzzling to me.

Ms. NORTON. Really at some point we are going to have to do a hearing to see whether or not it is possible. I mean people coming back, I know some of them can't afford insurance. They are taking their chances because of a love of New Orleans.

Mr. NAGIN. Yes.

Ms. NORTON. We have to come to grips whether or not it is possible to rebuild whole areas if insurance is unavailable. Now there is flood insurance, there are some kinds of insurance that the Congress makes available.

Mr. NAGIN. Now, Madam Chairperson, if I could get this Committee to understand one thing, even if you can get insurance in Louisiana your deductible is the problem—the rules were changed right after Katrina. There are no longer $500—and I don't know if anybody else is experiencing this, whether they are experiencing it in Florida—there are no longer $500 to $1,000 deductibles. They are a percentage of the value of your home. My personal deductible at my home is probably $6,000. And I hear people tell me this story; it is like 3 percent or 2 percent of the value of your home. So even if you have insurance, unless you have a major catastrophe, normally you are self-insured.

Ms. NORTON. You are self-insured. Are people building, are people rebuilding? What does that say about a business, are they self-insured, too?

Mr. NAGIN. No, businesses are handled a little differently. They have a higher deductible, but a business can only handle that kind of situation.

Ms. NORTON. Mr. Graves, do you have a question for him? I have a series of questions. I want to make sure anybody else that has questions also get a chance that come from your own answers.

I need to ask you, I remember you came to my office, you were very concerned that people were meeting a date where they had to get out of shelters and the city didn't have the housing to accommodate these people. We have had a hearing because many of these needed continuing case management. As a result of that hearing, we asked FEMA to extend the case management for these residents. Many of them from Louisiana was extended until March 2009. And we are prepared to asked again. We realize we are not dealing with people who have simply been displaced. We are often dealing with the elderly, with disabled people, and people who need very special help. Are those people still in trailers and are they formaldehyde trailers? Need I say formaldehyde infected trailers?

Mr. NAGIN. Yes. There are still a significant number of our citizens who are still in——

Ms. NORTON. What percentage of those displaced would you imagine or believe are still in trailers in particular?

Mr. NAGIN. There are still about 3,000 trailers in the City of New Orleans. I think the last number I saw there was about 6,000 trail-

ers statewide. That is units. So there are two to three people living in each trailer. So the math is pretty easy. Those benefits are scheduled to expire, not only those but anyone in an apartment complex or in a hotel, in March of 2009. We still do not have the Road Home checks, as I mentioned in my testimony. There is still about 30 percent of our citizens who still have not received those benefits. So they are forced to live in a trailer or in temporary housing. Until the checks are processed and the trailers are removed, I would argue that the benefits should be extended at least until the end of 2009.

Ms. NORTON. When you talk about people having not received their Road Home checks, you really raise this question that we need to understand, and that is that Congress has appropriated a great deal more money.

Mr. NAGIN. Yes.

Ms. NORTON. Than has been distributed. Now people are always afraid when you have that much money that has been authorized, and they want to make sure we are not in a situation where we have an unmanageable distribution and problems occur. What is your view of the pace of distribution of authorized funds to the city? Are you able to get the funds that are authorized?

Mr. NAGIN. It is a painfully slow process. Whether it is Road Home checks or whether it is FEMA reimbursements, you name it, whether it is hazard—and we haven't started to tackle hazard mitigation dollars in a real way. There is still $1.2 billion worth of hazard mitigation money that the State is trying to figure out how to spend. The regulations are complex and the money flows slowly.

Just to give you an example, the difference between the amount of money we think we need to fix all the public facilities that were damaged during Katrina—that we feel as though we need—and what has been appropriated or authorized by the FEMA PW process is about 40 percent. And the number goes up but we still are nowhere there.

Ms. NORTON. Forty percent.

Mr. NAGIN. Forty percent of the value that we think we need to repair a lot of these public facilities.

Ms. NORTON. So what kinds of public facilities are not up, for example?

Mr. NAGIN. You name it, fire stations, police stations, community centers, playgrounds, parks. We got our criminal justice system—the main complex up, but we still have some work to do. So we are actually managing right now about 400 different projects that are at some various stages in the process of being reimbursed, and it is just complex.

Ms. NORTON. I want you to know, Mr. Mayor, that this Subcommittee is experiencing some frustration because this Subcommittee processed through a bill which we proudly named the Katrina and Rita Recovery Facilitation Act of 2008. It was drawn after consultation with you, the then Governor. We had hearings here where Members, the entire delegation came to testify. The whole point was to try to find quick fixes for New Orleans and Mississippi in particular. These quick fixes would apply under the Stafford Act only to the Katrina ravaged areas. This became while we processed the bill—it was a leadership bill, it really began at

the top. So our Subcommittee, we put it through, it went through as one of the first bills. Then we put it to the repository of all bills that then go to sleep. Now this one didn't go to sleep—and perhaps you know more than we know. This bill contains some of what we know the State needs. Perhaps the cardinal feature was the waiver of the Stateshare of much of the funding, 100 percent funding. So I have to ask you without that bill, are you managing to come up with a State share?

Mr. NAGIN. The State has appropriated the money. They pledged, the Governor has pledged to present the match. But what we are hearing from the Corps of Engineers, if you are talking levee protection is that they need an appropriation at the Federal level to award the contracts because they are going to get a reimbursement from the State. And, because they don't have that money appropriated they cannot move forward with some of the contracts to finish up the 100-year flood protection.

So like I said, this is very complex and frustrating at times because a lot of the congressional intent—we come to you, you do great work and then there is some bureaucratic rule that slows things down or——

Ms. NORTON. The bureaucratic rule is called the Senate of the United States in this case. Now I know that my good friend and your Senator has been trying her best to get this bill out and she has more to gain than any other.

Mr. NAGIN. Yes.

Ms. NORTON. But she deals with a body that has trouble passing bills because of its rules. Someone mentioned alternative dispute resolution. There is an alternative dispute resolution section there. There are all kinds of things that nobody else will be able to do under the Stafford Act, but that you could do because of this constant issue that comes before us about a hold up. And again I know that the bill has been reported out. I have before me the report. I cannot believe that the Senate will leave without getting that bill done. And I have every hope that they will. Sometimes in the very last days people see the kinds of things that they simply can't leave town without doing. That is why we are working now on the collapse of Wall Street.

I want to just ask you a couple more questions that we need to understand. The trailers bothered everybody. Not only do we have hearings in my other Committee, the Oversight Committee—which is basically an investigatory Committee—had hearings showing its shameful way in which the notion that there was even formaldehyde in the trailers finally got exposed.

Now, you have for interim housing something that would be very important for the Nation if it works, Katrina cottages that were apparently initiated 2 years ago. I don't know how much of the $450 million has come down to allow the Katrina cottages. Tell us about the Katrina cottages, what is the difference between them and other housing and the temporary housing and how many cottages or whether those cottages are ongoing or are a viable way to put people in Louisiana at this time.

Mr. NAGIN. Well, the Katrina cottage is a concept that I think the State of Louisiana and Mississippi both embraced. It is my un-

derstanding that Mississippi was able to move a little quicker in setting up their program than Louisiana.

Ms. NORTON. So what is the difference? Tell us what a Katrina cottage is and what is the difference between it and other temporary housing?

Mr. NAGIN. It is a small modular home, if you will, 600 to 800 square feet, I think. It is something that can really be constructed very quickly and put up in a manner that would allow citizens to have a dwelling place other than a FEMA trailer. The State of Louisiana has struggled with that program. I don't think we have any in the city of New Orleans that I am aware of.

Ms. NORTON. So it has to come through the State, the funds have to come through the State? So there is not a single Katrina cottage in New Orleans?

Mr. NAGIN. Not that I am aware of, Madam Chair.

Ms. NORTON. I know you would know.

Mr. NAGIN. A big part of the disaster that has been frustrating to me, and I understand why it is done, but the Federal flow of funds always goes through our State first. Then not only am I fighting with one bureaucracy, but I have to fight through two before I even get to my own bureaucracy, so that has been really tough to deal with.

Ms. NORTON. Finally, let me ask you, because our concern is also about the very poorest people for whom permanent housing would be hardest to come by, and there was great controversy because some of the public housing was torn down.

Mr. NAGIN. Yes.

Ms. NORTON. And I would like to know what alternative there is for people who might have found homes in public housing. Is there comparable housing? What about FEMA and HUD's role in rehabbing public housing?

Mr. NAGIN. As far as public housing is concerned we worked really hard with HUD and with Congress to make sure that there was a firm commitment that every one of the public housing residents that were there pre-Katrina, which was 5,200 units, there would be permanent support of vouchers that would accommodate them until their homes were rebuilt. We have four major housing units.

Ms. NORTON. Until the public housing was rebuilt?

Mr. NAGIN. Until the public housing is rebuilt. So they are supposed to have—and we have not gotten any contrary information that suggests anything otherwise—if they are in New Orleans they have supportive housing; and if they are in another location they have supportive housing. And that should stay in effect until the new units are constructed.

Ms. NORTON. Are there going to be new units? I know the difficulties in public housing. We have had the same difficulties here, just as we had difficulties in our school. And I commend you on your charter schools. I think charter schools are the best thing since sliced bread because they are small schools, they are alternatives, they will keep people in the city, they do as well as the public schools usually. And because they are small, they are publicly funded, they are accountable in the same way, in order to keep from building public housing, as all cities,.

New Orleans was like every other city. They built the public housing where they could, large numbers of units in one place. You put a lot of poor people with no upward mobility, no way to get out, no jobs, and then you are surprised that there are problems there.

Is there going to be public housing in New Orleans and how will you construct it? I mean, you have land now that was not available before. Do you believe you will be able to replace those units or come anywhere close to it with public housing units of some kind, perhaps spread and not bunched together?

Mr. NAGIN. We are working with HUD, as we speak, to dedensify a lot of the public housing units and not have a concentration of poverty in any one particular section of the city. We are going forward with some Hope 6-like developments, which are mixed income. We have a plan in place to restore most but not all of the public housing units that we had pre-Katrina. But anyone who does not go into a unit is guaranteed to have a voucher. They will be able to go into the community and be involved in a mixed-income neighborhood in that respect also. That seems to be moving forward.

Our challenge, though, is that HUD is making noises that the financial crisis that we are in is starting to strain those four developments. And they have asked us to help lobby for a couple of things. One is the 901 fundability issue where they have some vouchers that are not being utilized and they want to use those to fill some gaps in this construction. We have been talking to people about that.

Ms. NORTON. Before you leave, we are going to have the Red Cross before us as well as GAO. And you know that the Red Cross in many ways has served the country heroically, very often with volunteers. Of course, they do have some staff. How would you evaluate the role of the Red Cross in this last hurricane, for example?

Mr. NAGIN. Well, the Red Cross has been there all the time in all the disasters. If I had any complaints with the Red Cross, it is that during the disaster they tend to go up north to kind of get out of harm's way, and I understand that. So getting back into the disaster area was a little bit of a challenge during Katrina. But for the most part I think they are a valuable organization. I think they are probably stretched to the limit right now and probably need some more support. And I think they come into a community right after a disaster and do really good work of feeding our citizens.

Ms. NORTON. Well, I want to thank you, Mayor Nagin. We have kept you longer than we might have had we had an opportunity to speak with you about the progress in Louisiana since then. And now we not only had to ask you about that, but we had to hear about these latest visitors. And it has been very valuable testimony, very helpful to us. And I thank you very much for coming today.

Mr. NAGIN. I thank this Committee and I thank you, Chairlady Norton, for everything that you have done. New Orleans wouldn't be back to the level it is, we are at about 75 percent there, if it wasn't for this Committee and Members of Congress, so we are indebted to you all. Thank you.

Ms. NORTON. Thank you, sir. Could I ask Admiral Harvey Johnson, the Deputy Administrator and Chief Operating Officer of FEMA, if he would come forward and offer his testimony? Thank you Admiral Johnson, you may proceed.

TESTIMONY OF ADMIRAL HARVEY JOHNSON, DEPUTY ADMINISTRATOR AND CHIEF OPERATING OFFICER, FEDERAL EMERGENCY MANAGEMENT AGENCY

Admiral JOHNSON. Good afternoon, Chairwoman Norton and Members of the Committee. I am pleased to be here today to discuss the National Disaster Housing Strategy and our response thus far to 2008 hurricane season. Fortuitously, as we are now in the recovery phase of Hurricanes Gustav and Ike, these two topics have become intertwined as we also were able to employ many elements of the strategy in the ongoing response efforts.

However, before I go any further I do want to thank you, Madam Chairwoman, for allowing us to delay the hearing that was scheduled for September 11. It was sort of to our benefit, and I hope to yours, to delay and combine the hearings today.

I do believe that the draft National Disaster Housing Strategy is likely one of the most significant documents prepared by FEMA and released under the umbrella of the national response framework. The strategy describes how the Nation currently provides housing to those affected by disaster, and, more importantly, it charts a new direction for our disaster housing efforts must focus if we as a Nation are to be better able to understand and meet the emergent needs of disaster housing needs of victims and communities.

The strategy captures lessons learned from Hurricane Katrina and subsequent disasters, embraces the larger issues of disaster victims beyond simply providing a structure, seeks innovative and creative housing options, elevates the issues of safety and security and access to those with disabilities, emphasizes again and again the value of planning, differentiates a catastrophe above all other disasters, and suggests that these issues merit full attention before and between disasters, not merely just in time short-term sporadic attention after a specific disaster.

A national strategy is the first step in developing integrated disaster housing plans across the Nation that all support a common vision and goal. This strategy would be a common basis to synchronize disaster housing plans at the State, local and Federal level.

Addressing the challenge of disaster housing should not be driven from the Federal level; rather, we must provide the leadership, set the pace, and actively encourage and gain commitment from individuals, communities, States, Federal partners, nongovernment organizations and the private sector.

This strategy also embraces the need for immediate action by framing FEMA's establishment of a National Disaster Housing Task Force, charts specifically to aggressively implement the strategy. In fact, since the release of the strategy for public comment, FEMA has now activated the National Disaster Housing Task Force. And though it is still in the embryonic stage of development it is deployed to Austin, Texas and to Baton Rouge, Louisiana, to

work with the State-led housing task forces in responding to Gustav and to Ike.

I would also like to comment on the combined activities of the Federal, State and local efforts in response to these two hurricanes. These two storms both projected at one time that a life span Category 3 or stronger storms at landfall both had the capacity to impose catastrophic damage simultaneously to multiple States along the Gulf Coast. Each posed a worst-nightmare scenario: one, a direct hit on New Orleans, and the other to communities in the core of our Nation's energy sector in and around the complexes of Houston, Port Arthur, and Lake Charles. And each made landfall only 12 days apart.

These storms served as proctor to the most severe tests of the National, State and local individual preparedness since Hurricanes Katrina and Rita. And where the 2005 storms exposed the Nation to a lack of preparedness, to indecision, and an absence of coordination across all levels of government and among individuals, the test of Hurricanes Gustav and Ike presented just the opposite.

The response and, thus far, the recovery from these two 2008 storms provides evidence of extensive levels of preparedness, decisiveness by elected and appointed officials at every level of government, as well as by citizens who elected to evacuate in record numbers at a level of engaged partnership among States with the Federal Government to put the right capability in the right place at the right time to save lives, to minimize damage, and to establish a much smoother road to recovery. When our combined efforts were not perfect, I believe that combined efforts at the Federal, State, and local levels made great strides to reinstill confidence in the American public that our system emergency management preparedness can and does work effectively.

In my view, there are three keys to our combined response: preparedness, command and coordination, and strong partnerships.

And the first, FEMA and our State and Federal partners worked purposefully together to coordinate, assess, plan, train, exercise and evaluate to ensure that we each had independently and interdependently the capabilities needed to succeed in disaster response and recovery. And second, there was solid coordination and command at the Federal, State and local level. The emergency management structures in the State of Texas and Louisiana were impressive.

At the Federal level, and consistent with the national response framework, we were fully integrated into the unified command with a State. Together we were forward looking, we executed our checklist thoughtfully and methodically, we adapted with a change in route and intensity to the storms, and we provided the public with timely and consistent warnings and messages. We performed as we planned and trained and we did well by doing so.

And I wish to note that Governors, parish presidents, mayors and other elected officials fulfilled their responsibilities visibly and decisively as commanders, coordinators, and communicators. Secretary Chertoff was deployed forward himself in both States prior to and immediately following hurricanes, as was Administrator Paulison. They encouraged evacuation, they provided assurance that all actions that could be taken were being taken, and they ac-

tively got into the response and recovery, though a number of challenges and tried moments, forthrightly and with directness and without name-calling or finger-pointing.

Thirdly, there was a strengthened partnership among the Federal agencies, and with States and with the local communities and among nongovernmental agencies from the Secretary to Governor to mayor, from Federal coordinating officer to State coordinating officer, and consistently through the field where there were individual team members who coordinated airbus to train evacuations, planned out delivery of commodities, registered evacuees, opened Federal medical shelters, opened medical stations and staffed deployable medical assistance teams. And they did so through the combined efforts and were impressive as they performed.

Madam Chairwoman, I don't want to view the response and recovery of these hurricanes through rose-colored glasses, but collectively we demonstrated a capability to respond effectively to disaster. At times these efforts were admittedly a bit rough. Not all evolutions were according to plan. And we learned many lessons. We were challenged to get all the commodities to the right place at the right time. We learned that evacuation, for all of its challenges, can sometimes be easier than measuring the reentry of evacuees back in the damaged and marginally safe communities and homesteads.

And we know that we need to strengthen certain elements of our workforce and to find ways to make registration process more timely and efficient. But from where I sit, the public was well served and we made great strides in instilling confidence in the Federal, State and local emergency management system and showed that it can work together effectively.

Thank you for your time. I will be glad to answer your questions.

Ms. NORTON. Well, thank you Mr. Johnson. And may I commend FEMA for the assistance you gave the State and the city in the evacuation, apparently evacuation also in Texas. And you had these events back to back or front to front.

Could I ask how the decision to evacuate is made, who makes it, what parties are involved, using as an example Ike and Gustav that has just occurred.

Admiral JOHNSON. I think certainly the one who makes the decision to evacuate are the local elected officials. And I think you had a good example of that in Mayor Nagin, where all were concerned that after 2 years of like hurricanes that people might take the next hurricane too likely. Mayor Nagin and others stood up in front of their constituents and talked about the dangers of Hurricane Gustav, that at the time was a Category 4 hurricane, and made it very real from the local elected officials that people must evacuate. And so it is to the credit of Mayor Nagin, of parish presidents across Louisiana, of county judges in Texas, and Hurricane Ike, to make those calls early for mandatory evacuation and for voluntary evacuation. And as the mayor reported in his testimony, 97 percent of New Orleans evacuated, and that is setting a record for what can be done when the system works as it should.

Ms. NORTON. Now, most of those went on their own, didn't they? Didn't you have more people use their own transportation means than before, and, if so, why?

Admiral JOHNSON. There were. I think I have seen estimates that maybe 1.9 million people across southern Louisiana evacuated, mostly on their own, because they had the means to do so. And in some parishes, in some cities, there are a population that don't have the means to do so. And they need assistance from the State and local government and from the Federal Government to evacuate safely.

Ms. NORTON. You perhaps heard me ask Mayor Nagin about the people who were warehoused, and he indicates that the State was responsible for finding places beyond boundaries of the local jurisdiction. Does the State have any communication with FEMA? Does FEMA have any responsibility since you are reliant so much on the States, for example, in your State housing plan, to ascertain that the State has found suitable facilities?

Admiral JOHNSON. No ma'am, FEMA doesn't have responsibility. The responsibility lies with the State. But of course in hurricane planning we work with the State, we work with the Red Cross, to identify requirements and standards for shelters. And it is our expectation that as the State establishes State shelters, that they will do so following those recognized standards for service, for cleanliness, for security, for safety, for medical support, for food and water and those types of things.

In Federal shelters, for example in the shelters that we establish with State out-of-state, we actually have a host State agreement where we lay out and identify what services we expect a host State to provide shelterees in order to be supported and reimbursed by FEMA.

Ms. NORTON. That is the out-of-state host State. But what about the in-state, the State that is primarily involved?

Admiral JOHNSON. In-state, it is the State's responsibility.

Ms. NORTON. Do you tell them what you expect as well? Why tell the people out-of-state without telling the people in the State who may be responsible for most of the citizens what to expect, at least what to expect?

Admiral JOHNSON. I think, being fair to the State, they had a number of State shelters, and we have heard about a couple of them, so there were a number of State shelters.

Ms. NORTON. Well, I want to ask about one. I can't imagine if there were a number of State shelters how 1,000 people wound up crowded in a warehouse in northern Louisiana, crowded in so tightly, with absolutely no way to bathe, feeling like herded animals. How did that happen if there were a number of State shelters? Were they crowded too?

Admiral JOHNSON. Well, Madam Chairwoman, I think many people are asking that exact question: How did that happen? No one would have wanted it to happen. And it certainly does not comport with any requirements or guidelines.

Ms. NORTON. So there are guidelines that the State should follow in designating shelters within State?

Admiral JOHNSON. Well, the Red Cross has standards for their shelters, and we certainly encourage and adopt those standards. And we encourages States to use those as they establish shelters.

Ms. NORTON. So you would find that the warehouse of 4,000 people with no way to bathe, and cot against cot, did not meet the standards that FEMA recommends to States?

Admiral JOHNSON. They would not meet our standards, and I think Governor Jindal will tell you that they do not meet his standards either.

Ms. NORTON. I recognize the State has got to come to grips with that itself. But I am very concerned for FEMA in this regard. There were newspaper reports that were fairly chilling that, quote, many poor residents avowing never again, that never again were they going to get on a bus to be warehoused this way, they would rather ride it out.

Now, that is the last thing we want to hear, because then it gets back to FEMA. That is why I am suggesting that you review your responsibility to advise the State. States may or may not be ready to shelter people because States aren't in the same business FEMA is, which is knowing much more about this. And it does seem to me that if States that shelter people from other States have guidelines, there is no reason why States themselves shouldn't have such guidelines.

And we would ask that those responsibility of States not be recommendations. Of course it is—it could be, for that matter, an emergency where you could only do so much.

There was warning of this hurricane. I talked with Mr. Paulison. He told me about out-of-state schools, places on military bases, he told me about places in community college facilities. And so I was stunned to hear that there was anybody who was housed in Katrina-like conditions.

The one thing we are not going to tolerate is finger-pointing. We are really not going to tolerate, well, the State should have done that or the city should have done that. And the reason we are not going to is because if in fact these people don't evacuate next time, then of course the whole job will fall to FEMA to do something about people left in place. The Federal Government will have to evacuate them in very costly ways, as we did with people left behind before.

So I am very concerned that Louisiana didn't meet its responsibilities and apparently didn't feel that it had to do anything but this, had plenty of time to prepare. After Katrina, it should have had shelters all over the State nearby ready to receive people.

So just in the planning process that FEMA supervises, I am at a loss to understand this, and very concerned about it not only because of the condition of those people, because it may mean that we are going to have another problem the next time.

Could I ask you in particular about some of the mayor's testimony? He indicated that FEMA would not pay, in his written testimony, for foundation demolition which could spur, of course, rebuilding and economic development. And he also said that you did not support panelized or modular construction for damaged properties. Would you explain why in both of those circumstances?

Admiral JOHNSON. Certainly. In the demolition of a structure, FEMA has traditionally paid for the demolition of the structure itself but has not paid for the removal of the slab. That becomes

a cost that, in Louisiana, the State has paid for some of that out of their CDBG funds.

Ms. NORTON. Removal of the slab; do you demolish it?

Admiral JOHNSON. Right.

Ms. NORTON. And what is left of it, FEMA will not pay to remove?

Admiral JOHNSON. That is correct. Our job is to remove the health and safety impact on the community, so in our view that is to demolish the structure itself.

Ms. NORTON. I don't know if that is one of the quick fixes that we put into the act that we are still waiting to come out of the Senate. But I have to say if we were willing to waive the State's share, the notion of not paying to remove what you demolished does strike me as being a very frustrating way to proceed, and maybe that we have to do more if you believe that you are proscribed by statute. And I would say then you shouldn't demolish unless there really is a danger, because you are making a mess.

Now, I understand—what is this—FEMA resolutions do permit debris removal. This is not debris? You don't characterize this as debris for economic recovery? One of the things we had with FEMA was that it was reading its regulations so narrowly that we had to pass a whole bill. And what I objected to was that we thought a fair reading of the bill often meant that you could have proceeded. And instead we had to enact a whole bill.

Now we have passed resolutions to permit debris removal for economic recovery, and you are telling me that you believe that you have to leave those slabs there. That is frustrating. I need you to look again and have your counsel review whether or not, in light of the resolutions—we will give you the numbers—there may be some removal of those.

Now, can you talk about the panelized and modular construction for damaged property? You don't believe you can pay for that?

Admiral JOHNSON. The Katrina cottage that you discussed with Mayor Nagin, as you recall, Congress gave $400 million 2 years ago to have an alternate housing pilot project among the States on the Gulf Coast. Mississippi, as the mayor indicated, got out ahead of the other States, and they have procured and installed these Mississippi cottages, now sometimes called Katrina cottages. They are a panelized house. They are in very good shape.

Ms. NORTON. So they are done with modular construction and panelized houses. So you will pay for it?

Admiral JOHNSON. Well, these are modular—it is a modular construction. It is an improvement on a mobile home. I don't think I would call it panelized housing. It is a different style of housing. Panelized housing is much, much more expensive, and basically is sort of like a house in a box. But this cottage is transportable and it meets—again, it is an alternative to a mobile home or a travel trailer. The States of Texas, Louisiana, and Alabama also receive funding in this pilot project, but they have yet to produce a unit, and actually installed one for testing.

Ms. NORTON. So what do you think is the hold-up in those States?

Admiral JOHNSON. It has taken those States longer to organize their governance structure to identify what their contract would be

and how they would actually choose sites and install units. They have each had varying degrees of difficulty, but they are all about to come on line and soon will produce their units for testing.

Ms. NORTON. We are very anxious to see how those units work, particularly the fun we had with trailers.

I called it a resolution; I am sorry. I asked your counsel to look at debris removal regulation 44, CFR 206.224(b)(3). I believe you—based on this resolution, the staff tells me you do have the authority to remove these slabs. We are just trying to do what we can to move this thing along. So I would ask your reporters to report back to us within 30 days what your counsel's view is.

Admiral JOHNSON. Certainly.

Ms. NORTON. I am going to ask the Ranking Member if he has any questions for you, Admiral Johnson.

Mr. GRAVES. Thank you, Madam Chair. Thanks, Admiral, for coming in. I want to talk to you about, or have you talk to me about the transitional voucher program.

During Hurricane Ike it has been reported that 4,000 people checked into hotels underneath that program, but there were 107,000 that qualified for it, but there wasn't any space available for them. I am curious how you are going to deal with that or what you are looking at to try to deal with that.

Admiral JOHNSON. The transitional housing program, sheltering, that we put out basically does say that we need very minimum requirements; that a person can call and register with FEMA and they would be assigned an authentication code. They could go to a hotel or motel that is part of the program. And thousands are. I think there are 8,000 hotel and motels that participate. And based on them having a room, they will accept an applicant and FEMA pays the bill.

But as you would imagine during a disaster, these hotels and motels are filled and they don't have a whole lot of spaces available. We have heard reports that in some areas, because of prior bookings at hotels and reservations, that they didn't have room. And so we have checked them to find out, to make sure that all those who comply with the program and participate actually fully participate. But we had a number of people—about every day 500 or more people move in and move out. It is a transitory type of a thing. And I think it has been fairly successful. We had about 800 or 900 at one time in Louisiana, and we have had up to 3,500 in Texas who have taken advantage of the program.

Mr. GRAVES. And then one other question. The Red Cross has requested a $150 million bailout for its disaster operations, and I am just curious what the administration's position is on this.

Admiral JOHNSON. I am not sure what the administration's position is, if they have actually offered the position. We have certainly—one of our strongest partners in preparedness, as well as in response to recovery, is the Red Cross. We have a great relationship with them. We have their staff members on our staff. We consult with the Red Cross. We establish our policies and do as many policies as we can in concert with the Red Cross. We were able to work with them during feeding kitchens, for example, in both Gustav and Ike. And so I am aware of the proposal and believe that there is support for that.

Mr. GRAVES. Thanks, Madam Chair.

Ms. NORTON. Thank you, Mr. Graves. Mr. Arcuri.

Mr. ARCURI. Thank you, Madam Chair. Thank you, Mr. Johnson, for being here.

Mr. Johnson, the FEMA interim rule that eliminates administrative allowance in-state management administrative allowance, I want to ask you a couple of questions. They are utilized in New York to cover, as I imagine in many States, to cover direct and indirect costs. According to the National Emergency Management Association its costs States an average of 6.21 percent of their public assistance allocation to manage the administrative PA program, yet FEMA's rule would cap the allowance at 3.34 percent and States will be forced to cover that gap of 2.87 percent. I mean, in New York we estimate that is going to cost about $33 million.

Any thoughts on how the States are going to make that up or what we are going to do, or any rationale as to why FEMA has cut that out?

Admiral JOHNSON. We had a rulemaking out—covering administrative costs is always a controversial subject. We want the States to administer as much of the response recovery as they can. We want to reimburse them fairly for the cost of that administration. And it becomes a debate between us sometimes as to exactly what are those costs and how do we reimburse the right amount.

We put out a rulemaking some time ago that offered a construct that was a change in the way we did business. We felt there was a bit of misinformation about that. It wasn't very well understood. And we have recently pulled back that rulemaking and are engaged now with NEMA and other representatives, again in the States, and talking about how we can fairly arrive at a formula that will reimburse the cost of the States.

So it is still active discussion between us and the States to make sure we can identify what those costs are. Like anything else, I think that you have seen what are the numbers and what makes up those numbers. And we would be glad to meet with you or your staff and go through what our processes are and give you a sense of what our assumptions are and how we are engaged in discussions on the administrative cost.

Mr. ARCURI. I would appreciate that. It just seems to me that with global warming, with the change in the environment, we are seeing more natural disasters. And this is not the time that we want to cut out programs that the States need but, rather, help the States more if we can. So I would greatly appreciate the opportunity for us to get together and chat about it. Thank you, sir.

Admiral JOHNSON. Yes, sir.

Mr. ARCURI. [presiding.] We are beyond the midpoint of the 2008 hurricane season. Do you think that we are in a position where we are going to be able to respond if there are any additional hurricanes that we encounter this year?

Admiral JOHNSON. Yes, sir. We certainly think that—we have gone through about 5 weeks now. And hurricanes, this should only happen on weekends. But we went through about 5 weeks between Hurricane Dolly, Fran, Gustav, Ike, and I think that we have been tested, all of us, on a Federal, State and local level in this hurricane season, and we have done very, very well. I think it affirmed

for us that we have invested a lot of time and resources over the last 2 years in fairly light hurricane seasons to focus on preparedness, on command and control, and on partnerships. And I think we have shown that that effort was worth its investment. And I think we have, again, reinstilled confidence that we can respond well to disasters. Part of our focus has been to put a stake in the heart of Katrina and put that behind us. And I hope that by the performance in Gustav and Ike so far that we are able to do that.

Mr. ARCURI. Obviously it is a learning process. Did we learn anything so far in this hurricane season that you can tell us? We are always asking you about things. Are there things that we could do that could help FEMA in the future that we learned this year?

Admiral JOHNSON. First of all, this Subcommittee is always intent on helping FEMA learn. And sometimes it is tough love, but we appreciate it. But I think from this hurricane season, maybe a couple of things to point out. First, as was indicated, commodities really point up—that is a problem we didn't expect.

Now, how that system typically works is FEMA provides commodities to the State's staging area and the State manages commodities from there to distribution to PODs, to four points where they distribute PODs to commodities individuals. It didn't work very well. What we found in a large storm, we could move hundreds of truckloads of supplies into a staging area, but we couldn't get them out very efficiently. We actually sent our director of logistics, Eric Smith, down to Louisiana and sent him again to Houston to work through these issues about how do we really distribute commodities and get them out on time to the right place? And it is a very difficult, complex process and we eventually worked through it.

So I think one of our focuses for next hurricane season is to work with the States on the full supply chain, end-to-end logistics, and to see how we can make sure we get the right supplies to the right place at the right time.

I think a second area that we are working on is registration. And we have made huge improvements over Katrina. We have more than 1 million people who have registered between Gustav and Ike. At one point, at the same point in time, 12 days after the storm, we had 500,000 registered in Gustav and there were 350,000, same point in time, for Katrina. So they had huge improvements. And yet back-to-back storms really tested our system.

What we have found is that we need to look more at new technology and to establish kiosk computer centers where people can register more on line. And so I think we need to look at new technologies to be more efficient in registrations. Those are two practical things that have caught us up a little bit in response and recovery that we are going to work on for the next hurricane season.

Mr. ARCURI. Thank you very much, Mr. Johnson, I appreciate it. Thank you, Madam Chair.

Ms. NORTON. Thank you Mr. Arcuri.

Let me ask you, I suppose perhaps I don't fully appreciate the difficulty of getting supplies out if there is planning. For example, if there are—if the State is required to say where the shelters will be in the event of a disaster it should not even be difficult to break that down in the event of a Category 2 disaster, 3 disaster: Where

will the shelters be? If the States are required to do that, then everything, it seems to me, should flow from that.

If I know that the shelters, in the case of a Category 3 type, will be in northern Louisiana, then I have a geographical area and regional area that I know I have to get to.

I don't understand why preplanning won't take care of most of the issue. You make it sound as if you bring supplies in and then decide, oh my God, how are we going to get it out there? Indeed, I heard Secretary Chertoff say on television or radio that he had 18-ton trucks, or whatever, ready to go into Texas, but then they had to clear the roads.

Well, Galveston, for example, was always going to be a complete disaster. Flooding was predicted to be the major issue. So I don't even understand 18-wheelers. I mean are helicopters, for example, an alternative to get food in, if as much food has not been prepositioned as you anticipated? Indeed, most of it should have been prepositioned. So I guess once you know where the shelters will be in the event of Categories 2, 3, 4, 5, it does seem to me that you have something going for you. You might not know where it is going to strike, but if planning means anything, then once it hits, you know exactly what you have got to do and you have prepositioned transportation of the kind that will be necessary, supplies of the kind that be will be necessary.

And I hate to use this analogy, but I am going to have to, and maybe we need to consult with them. I bet the military will know what to do. They have got to figure out in advance what to do when they have got people located in much more unpredictable conditions than a hurricane.

So I think this raises questions of planning, planning with the State, and particularly since your housing strategy says that you are very reliant upon the State, establishing some closer nexus besides we-recommend-to-the-State and we-hope-we-will-do-it kinds of things, because it is going to be in your hands largely, normally, to get supplies to areas that the State will often lack the kinds of transportation means to accomplish. Witness what the Secretary was trying to do with 18-wheelers.

Admiral JOHNSON. Well, Madam Chair, what sounds easy in this room, absent a disaster——

Ms. NORTON. It isn't easy. It is planning. Planning is the hard part.

Admiral JOHNSON. What sounds easy in this room is if we were to lay out a plan for PODs in your city, in Washington, D.C., and expect that that plan would work perfectly in a disaster, it would be easy and the plan would be good. But what happens in reality is that in D.C., in Houston, in New Orleans, in Shreveport, as local elected officials evaluate the impact in their city, on that very night they determine where do they want the PODs established to meet the needs of their citizens, looking at who has evacuated, who has not, what part of the city has restored and what has not.

Ms. NORTON. And, of course, communication wasn't down as it was in Katrina.

Admiral JOHNSON. Well, what happens is that every night they reestablish where they want PODs. So the plan you had before the disaster becomes ineffective when it gets changed late at night, and

for good reasons. But once you have had a lot of PODs and you get a plan late in the evening it is hard to move inside—imagine the city of Washington streets. To move POD supplies, you need time to physically get it done.

What happened in Gustav was that because of the reaction of the power outage and the change in the dynamics, the plan got put together too late in order to move all the trucks in time to open the PODs, when people were sitting there waiting.

Ms. NORTON. How do you account for that? Why do you think the planning occurred later than it might have?

Admiral JOHNSON. I think it was people trying to react to the latest information, to really anticipate the needs of their citizens. And perhaps they haven't done it before. Everyone learned a lot of lessons. And by the third day, POD plans were put together at 4 o'clock in the afternoon and gave everyone plenty of time to supply for the next day. So they started off okay, they got bad for a couple of days, and got fixed again in a few more days. So it eventually worked itself out, but it took a little bit of adjustments along the way.

Ms. NORTON. How about activated or nonactivated food stamps, the frustrations of long lines and getting food stamps? It took some days to get them activated. Were you trying to avoid fraud and did it need to take so long?

Admiral JOHNSON. I personally don't have any knowledge of that. That is another program. We observed that happening in Louisiana, and perhaps it could happen in Texas, but that is beyond FEMA's scope and I don't have any details of that.

Ms. NORTON. Was it beyond FEMA's scope because the State provided the food stamp activation?

Admiral JOHNSON. Well, the food stamp is with USDA. And the USDA worked with the State in trying to coordinate the efficient delivery. And I think there were just some logistics issues about times and locations, and it got backed up. But I don't have any personal acknowledge of that program.

Ms. NORTON. Well, I am not going to ask FEMA to provide us with that, but those were among the loudest complaints that we heard.

Now, I would like to quickly go through this housing, new housing strategy. And I recognize that you are still in comment, that is why we wanted to have the hearing before the comment period was ended. It would be helpful for us to know what the major elements of the strategy is, especially those that differ from FEMA's Disaster Housing Strategy, previous Disaster Housing Strategy? How do you think—why do you think this is better?

Admiral JOHNSON. Well, perhaps the most significant issue is it does delineate, again, what are the roles and responsibilities of the Federal Government and of the State. And during Katrina, where FEMA took over almost the entire management of the housing program, those roles and responsibilities became too blurred.

And so, for example, in Texas today, Texas has identified today what their level of acceptable formaldehyde is. FEMA doesn't have to do that. That is their responsibility. Today Texas requested, the government request, first, to provide a direct housing program in the city of Orange in Jefferson County. That is their job, ask for

direct housing. Texas will tell us what type of housing they want, which is their job. We provide options, they select the option, we implement. And then over the next several days now, we will implement that program to meet the objectives of the State.

And so in this case, the State should make those decisions that FEMA should implement and help them achieve their objectives. That is a primary focus of the strategy.

Ms. NORTON. Now, the States on whom you, of course, rely in your housing strategy, I think appropriately so, we then need to look at your relationship to the States. Now, according to your own people, only eight States have their own disaster housing programs. That is bothersome. I am not sure which States those are. But how can you rely upon the States if they are not required to have a disaster housing program by FEMA?

Admiral JOHNSON. Part of what FEMA will do to implement the strategy, for example, when we put EMPG grants—and you are familiar with those grants, those are focused on emergency management—we will require States to devote some portion of those grant dollars towards disaster housing planning. We have not previously done that.

In a disaster, for example, in Iowa, in Louisiana, and in Texas, we have asked the State to stand up a State-led housing task force. They each have complied and done that. So what we are finding is the States are receptive to the objectives of the strategy. And it has worked out very well thus far in Iowa, I think it will work out well in Texas, and work in Louisiana with Gustav implementation, and I believe it will work out there as well.

Ms. NORTON. Now, we had a situation in Katrina we hope we will never have again. But because FEMA is best suited, in fact its mission is to help people to find short-term everything, everything is supposed to be short term. But after Katrina, as you now look at who is left, we find that 12 percent of those displaced were over the age of 65.

Now, how does—your self-sufficiency approach, of course, is the correct approach—how does it take into account when we are dealing with people who can hardly be expected to start all over again in providing housing? Some of them are living in senior citizens housing, some of them live in their own homes and at their age will not rebuild, and therefore whatever the State's responsibility, you are going to be left with these displaced victims.

How do your present policies enable you to in fact account for these victims? Because you can keep setting dates when they have to find housing all you want to, but the fact is that given their vulnerable state, the Nation is going to look to you, considering the increasing number of elderly people.

Consider the baby boom, for example. They are not there yet, but they will be there and they are living longer. What is needed? Is it new statutory authority? What are you going to do now about the thousands who are among those still without housing in trailers and otherwise not in permanent homes? How do you expect to deal with them in your new housing strategy?

Admiral JOHNSON. In a disaster where there are elderly or other perhaps more challenged community groups, as in Katrina, what will end up happening, I believe, is that some of those people will

eventually filter into another existing government program. For example in HUD, HUD has a program for section 8 housing. HUD has a program for some of the elderly that have been exempted, by the way, for some of the payments on their rent. And eventually when it gets down to that smaller group, at this point in the disaster they will likely be placed by case management into some existing program.

We are very focused, as are you, on looking and learning more about effective case management and how to identify these people earlier and to put them in the right program to meet their needs.

Ms. NORTON. Long-term needs were really put on the map by housing needs by Katrina. And you did something that seemed to make sense. States were told that they could lease apartments for up to 12 months. But then you told the States to terminate those leases after 6 months. How will lease management be handled under the new housing strategy?

Admiral JOHNSON. That did occur before. And what we have now, partially in response to Congressman Graves' question, what we have now is our transitional assistance program that we just implemented here for Ike and for Gustav, where now we put people into hotels and motels and we pay that hotel and motel bill. It is 30 days at the outset, and if we need to extend it we have the option to do that. And so we will try to manage that individually. We can also pay the hotel directly, as in this case. We may look at leasing portions of hotels so that we can move people in and out of a room that we are already paying for.

So I think we have come up with some good lessons learned. We are implementing a more targeted program that allows us to manage the cost a lot closer.

Ms. NORTON. We were concerned that the GAO's 2007 report said they found certain kinds of shelters without feeding capabilities when they did a survey of selected States. Do you look at feeding capabilities in particular? I suspect that the warehouse in north Louisiana would have been such a place. Must a shelter that the State designates have the capacity to feed people—kitchen, some way to make sure that food can be stored and the like?

Admiral JOHNSON. Well, I think perhaps Joe Becker or Red Cross can answer that question better than I can. We don't require every shelter to have a kitchen, but we require shelters to be able to provide food and water and basic life sustaining support.

Ms. NORTON. I don't mean an actual kitchen, I mean the capacity to have running water, a makeshift kitchen.

Admiral JOHNSON. And we require that. We also have worked with the Red Cross and with the nongovernment organizations on building feeding kitchens and feeding capabilities. For example, in Houston where we have shelters, we also now provide a separate feeding kitchen that provides—all through Texas I think—it is a phenomenal number of meals that are able to be prepared every single day. And so we now are taking a much more focused look at how we provide shelters and how we provide feeding capability.

Ms. NORTON. You work with the State. I need to know within 30 days what FEMA tells a State its shelters are expected to look like.

Admiral JOHNSON. Yes ma'am.

Ms. NORTON. This question keeps coming up as I find out about the kitchens, the shelters and the feeding. So rather than ask that question over again, it would help me with this blanket question to say what is it that FEMA tells States that a shelter must provide; where shelters must be?

Admiral JOHNSON. We can provide that for the record.

Ms. NORTON. Thank you. Finally, I would like to ask you about the Red Cross. Our final witness is going to be the GAO and the Red Cross. We were very concerned to hear about the nonprofits on whom you rely. How much do you rely on them, and what is your view of their capacity to handle the mission you expect from them as these hurricanes and other disasters become more frequent?

Admiral JOHNSON. We rely on the Red Cross and nongovernment organizations, Catholic Charities, Salvation Army, we rely on them a lot. They are in the local area, they know the local people, they know the geography, they understand the culture.

Ms. NORTON. Well, what did the GAO mean when they said they believe they are overwhelmed? Is that your view? Have you worked with them in Ike and Gustav? Did you find them able to manage the responsibilities as expected?

Admiral JOHNSON. Well, I think as you saw in our comments, we don't think very highly of that particular GAO report. We believe that the report——

Ms. NORTON. In what way do you differ from the report?

Admiral JOHNSON. Well, I think the report, for example, I think it expected the Red Cross and nongovernment organizations be the primary provider of support to disaster victims. To my knowledge, the GAO did not interview the emergency managers in the State of New York, in Texas, or California or Florida. All of those States have magnificent well-organized local support programs. And the State is responsible for providing for that support.

Ms. NORTON. So how did they get the impression that they couldn't handle—that the Red Cross in particular, if they got the impression the Red Cross was responsible for the bulk of it, they most have gotten it from the Red Cross. They must have told them it was falling to them.

Admiral JOHNSON. I am not sure how they got that idea. I am not sure if they had a visitor's shelter before. They didn't get that idea from us, and I don't think they got it from talking to——

Ms. NORTON. Well, I am not going to put the burden on you. I just thought you would like to give your opinion of the role of the Red Cross. Do you feel that they are doing an adequate job, in terms of their funding, in terms of the carrying out their mission and the like?

Admiral JOHNSON. They have been phenomenal partners. They help us immeasurably, in measurable ways and immeasurable ways, in helping to organize the delivery of mass care services to disaster victims. They do a great job, in and of themselves, they do a great job to link with all the other NGOs and to coordinate them and help bring together disparate groups.

Ms. NORTON. So you have no recommendations for improvement by Red Cross and other nonprofits who assist FEMA?

Admiral JOHNSON. Well, I think our recommendation on improvements is we can always continue to work better today, communicate better, and to be better organized.

Ms. NORTON. Well, you have had two recent hurricanes.

Admiral JOHNSON. And they have done a great job.

Ms. NORTON. All right. As far as you are concerned, you are perfect so we will pass on that.

I have to ask you one question, since you talked about the States and prepositioning. You even mentioned the District of Columbia. There may be other big cities like the District of Columbia. They are located in a State that doesn't have many big cities. We are not even located in a State. We treat it as a State for all purposes except to vote. But when you hear for the 50 States and the District of Columbia, that is us.

If there were to be a disaster, and not more than 5 years ago we had a major flood here—but of course it was positioned in part of the city, not the rest—but if for some reason, it would likely be a terrorist attack where somebody set off something, and we had to be moved, it has crossed my mind more than once whether FEMA has determined where residents of the District of Columbia, not a State, very small area, less than 10 square miles, where would the residents of the District of Columbia go if they needed sheltering tomorrow?

Admiral JOHNSON. We have a program called gap analysis, which we may have briefed you on before. And we work with the hurricane—18 hurricane impact States, the District of Columbia, Puerto Rico, Virgin Islands, and we assess them on how ready they are for a disaster. We work with the emergency manager in the District and have gone through sheltering, transportation, communications, medical services, have a sense of what their capabilities are.

Ms. NORTON. Admiral, I asked where would we go. I am assuming that a certain percentage of the population had to leave town. Do you know where such residents would be directed from the Nation's Capital to go?

Admiral JOHNSON. There is an existing national capital regional evacuation plan that identifies routes in the city, and they would go to the suburbs and go to the neighboring States. I would be glad to have a staff come by and brief you completely on that.

Ms. NORTON. I would like you in 30 days to tell me exactly what you say if you have got to go to a shelter out of state, that there is planning, prepositioning, where you go. And I realize some people live in Southeast, some people live in Northwest. In 30 days I would like to know where the residents of the District of Columbia—a fair number are Members of Congress, a fair number are Federal officials, and many are residents of the District of Columbia. I don't want to know the routes, I know the routes. And about the last thing you want to do—in fact, we tell people stay in place—the last thing you would want to do is say they will go to, quote, the suburbs. The notion that the suburbs would say you all come is hard to believe.

Admiral JOHNSON. We would be glad to review that shelter plan with you.

Ms. NORTON. Thank you very much. We want places that have been designated. I am going to ask the Chair of the Full Committee if he has any comments or any questions for Admiral Johnson.

Mr. OBERSTAR. Thank you, Madam Chair. Thank you, Admiral Johnson, for being here with us today. I think the Chair has covered a wide spectrum of issues that we anticipated to cover in this hearing. The question that may have been asked while I was attending to other Committee business is what research, development, testing, has FEMA accomplished on housing, that is mobile housing, that does not have the adverse health effects that have been associated with the FEMA trailers?

Admiral JOHNSON. There are two things.

First is that we have new contracts for mobile homes and park model units that require formaldehyde to be at the level of.016 parts per billion of formaldehyde. There has never been a requirement that low before for construction.

We worked with the manufacturers of mobile homes, changed out building materials, changed out manufacturing processes to ensure that they can actually produce units that are that virtually low in formaldehyde.

We have already taken delivery on some of the units, and we will take delivery on additional units at the end of October. So our first effort has been to reduce the level of formaldehyde in these units.

Mr. OBERSTAR. Repeat that figure that you said a moment ago. I didn't write it down.

Admiral JOHNSON. It is .016.

Mr. OBERSTAR. .016.

Admiral JOHNSON. Second is that we have looked extensively for alternatives to mobile homes and park models. We recently put a contract out on the street asking for innovative ideas, and we are going to buy and test different concepts for how to replace a mobile home and a travel trailer. And I think we are going to find a number of alternatives that will give us more flexibility based on where we might need units, in dense, urban areas versus in colder climates or the gulf.

Mr. OBERSTAR. What are your requirements for mobile housing, that is, standards or requirements for ability to move these units from one place to another? Do they have to be of a certain size, certain weight, dimension and readiness to be put into use? What are the standards that you have established for the housing?

I ask the question because I get, and I am sure Chair Norton as well, visits from various organizations that say, well, we have something really hot for FEMA. And I haven't sent any of them to you, because I don't know what your standards are. What are those standards?

Admiral JOHNSON. Mr. Chairman, first let me just correct: It is .016 parts per million. I said parts per billion. So, .016 parts per million.

Mr. OBERSTAR. I thought that was——

Admiral JOHNSON. We will provide for the record. It is a one-sheet requirements in our contracts for mobile homes. But it defines the length of the mobile home so it fits on the highways, the width of the mobile home, what the equipment is required inside

the mobile home. So we can provide that to you for the record, if you would like.

Mr. OBERSTAR. That would be very useful, Because there are many people who are interested in these issues. It receives such nationwide attention, it is hard to run into a constituent, let alone people from other parts of the country, who aren't aware of FEMA trailer problem. It is one word, there is no hyphen, there isn't even a space. It is a ″FEMA trailer problem.″

Admiral JOHNSON. Mr. Chairman, don't be bashful to send them on to FEMA. We have established a joint housing solutions group, and they are looking for new ideas. And they will meet with a vendor, and they will talk with them about our requirements. So if you want to forward them to us, we would be glad to talk to them about our program.

Mr. OBERSTAR. In the interest of full disclosure, my wife is from New Orleans, born and raised there, still has family there. We visit there frequently. And we went into one of those trailers, closed for quite some time, and the aroma would knock you over.

Admiral JOHNSON. Yeah. We have learned a lot——

Mr. OBERSTAR. This is not a figment of anyone's imagination. I can't imagine living in this thing.

Admiral JOHNSON. It is not. We have learned a lot of lessons from the units that we bought for Katrina. And, again, I think you are seeing us reflect those lessons learned by finding alternatives and by requiring now a very, very, very low level of formaldehyde. And, by the way, we test these units to make sure that they meet our specification. They don't pass the test, we don't buy the unit.

Mr. OBERSTAR. Do you have energy consumption standards for those trailers as well?

Admiral JOHNSON. I don't believe we have energy consumption. There is a rating, depending on the climate that they are involved in, a level 1, 2 or 3 climate.

Mr. OBERSTAR. Okay. I welcome that information whenever you can provide it.

What is the status of the Disaster Relief Fund for the balance of this year?

Admiral JOHNSON. Dire. We just went below a billion dollars, which sounds like a lot of money but in disasters is not much. And so we are looking at the cost of—right now our projected cost for Gustav and Ike is both—let me say each, about $800 million each. And so these are catastrophes.

When we project the life of the Disaster Relief Fund, we typically plan for a hurricane season absent a catastrophe. And now we have had the Midwest floods and Ike and Gustav. So we are concerned about the size of the Disaster Relief Fund.

Mr. OBERSTAR. Do you have data available in FEMA on the amount that the private insurance sector has paid out on the Iowa floods, Ike and Gustav and so on?

Admiral JOHNSON. I don't know that we do, but we will check. If we can get that, we will provide it to you.

Mr. OBERSTAR. Our staff regularly tracks that information, at my direction, and have done over a period of years, and they have seen this very sharp escalation of private-sector insurance costs in

FEMA States' local disaster assistance. We are running into the dozens of billions of dollars of cost.

Admiral JOHNSON. Yes, sir.

Mr. OBERSTAR. And it is a steady progression over the last 20 years. I mean, this is parenthetical to the discussion at hand, but for anyone to say that we are not experiencing global climate change, they are not living on the same planet. Those figures are unavoidable.

Will FEMA have to ask for supplemental funding, do you think?

Admiral JOHNSON. Well, of course that is a judgment for the administration. But we are working with them to——

Mr. OBERSTAR. But you say you are below a billion dollars, and we are still not finished with the hurricane season. There is another one brewing in the south Atlantic, I heard this morning on The Weather Channel.

Admiral JOHNSON. Yes, sir.

Mr. OBERSTAR. We could be facing more.

Admiral JOHNSON. It is true. You know, we are concerned about the balance, and we are working inside the administration to see if the President wants to propose a supplemental. I don't believe a decision has been made on that yet.

Mr. OBERSTAR. We had passed, with Chair Norton's leadership and effort, a bipartisan bill from the House. The Senate, there are stirrings over there. You just never know what is going to happen. Every now and then, the water moves, like the Old Testament, water stirs, you jump in it so you will be saved. But every now and then, we see stirrings. And it may be that we will have a FEMA authorization bill.

Is there any additional authority or expanded legislative authority you might need to address the recovery from Gustav and Ike?

Admiral JOHNSON. We are looking at that to see whether we think we need more authority.

One thing that we are doing, Mr. Chairman, and I think Madam Chairwoman mentioned as well, we think over the years our regulations and our policies have become increasingly restrictive. And so we are currently in a program to look at rewriting our regulations to give us more flexibility in changing policy to reflect lessons learned. And so that is our primary focus, is fix the regulations and policies. And Stafford, in itself, is still a pretty good piece of legislation, as you know personally.

Mr. OBERSTAR. All right. I don't need to pursue this any further. We have two more witnesses to accommodate.

And, Madam Chair, thank you.

Mr. Johnson, thank you. Admiral, thank you very much for being here. We look forward to receiving your response to those earlier questions.

Ms. NORTON. Well, thank you very much, Mr. Chairman.

By the way, that was a blockbuster, that last thing you said, that during the review of your legislations, in light of present-day realities, to eliminate some of the rigidity. When do you expect that to be completed, please?

Admiral JOHNSON. We are working right now on—we have looked at our individual assistance program, and we have identified three regulations in individual assistance, three regulations in

public assistance, and 10 policies that we are reviewing right now to, again, reflect lessons learned and provide more flexibility.

We are working the reg packages as we speak and reviewing those policies, and we certainly hope to get those out within this calendar year.

Ms. NORTON. Would those be out for comment?

Admiral JOHNSON. Yes, ma'am.

Ms. NORTON. Yeah, well, we would be delighted to see you able to do that before this administration ends.

Admiral JOHNSON. So would we.

Ms. NORTON. Thank you. Well, thank you very much for very helpful testimony, Admiral Johnson.

And could I ask the final two witnesses if they would come forward?

Thank you for your patience.

They are: from the Government Accountability Office, Cynthia Fagnoni; and from the American Red Cross, Joseph Becker, who is the senior vice president for preparedness and response.

We will go with Ms. Fagnoni first.

TESTIMONY OF CYNTHIA FAGNONI, MANAGING DIRECTOR OF EDUCATION, WORKFORCE, AND INCOME SECURITY ISSUES, GOVERNMENT ACCOUNTABILITY OFFICE; JOSEPH BECKER, SENIOR VICE PRESIDENT OF PREPAREDNESS AND RESPONSE, AMERICAN RED CROSS

Ms. FAGNONI. Madam Chair and Members of the Subcommittee, I am very pleased to be here today to discuss our findings from a report we issued last week on voluntary organizations' disaster response.

This afternoon I will highlight what we found in four areas: the roles of voluntary organizations in providing mass care and other services in large-scale disasters; their efforts to improve since Hurricanes Katrina and Rita; their current capabilities in four large cities; and the remaining challenges for these organizations.

In doing our work, we focused on the Red Cross, the Salvation Army, the Southern Baptist Convention, Catholic Charities, and United Way. We also visited Los Angeles, Miami, New York, and the Washington, D.C., region.

First, the five voluntary organizations we reviewed are highly diverse. The American Red Cross is the only one with a designated role as a support agency for mass care under the Government's National Response Framework. Both FEMA and the Red Cross agree that the Red Cross will support FEMA with staff and expertise in responding to a catastrophic hurricane or earthquake. However, this agreement is not clearly documented in the Catastrophic Incident Supplement to the framework. In our report, we recommended that FEMA update and document its expectation for the Red Cross in a catastrophic disaster, and FEMA agreed.

Second, our report also found that the voluntary organizations we reviewed have taken steps to strengthen their service delivery. For example, the Red Cross has initiated thousands of new partnerships with local community and faith-based organizations, particularly in rural areas with hard-to-reach populations. These organizations also are collaborating more on feeding and case manage-

ment and on improving their supply chain management and communication systems.

Third, our report found that voluntary organizations have substantial sheltering and feeding resources both locally and nationally. However, without government and other assistance, a worst-case, large-scale disaster would likely overwhelm voluntary organizations' current mass care capabilities. For example, a catastrophic earthquake striking Los Angeles could create the need to shelter more than 300,000 people, but the Red Cross can shelter 84,000 locally under the best conditions. And a nuclear terrorist attack in Washington, D.C., could require 300,000 more meals per day than the Red Cross can currently provide.

Because such disasters call for a communal, all-hands-on-deck response, government employees in New York City and elsewhere are being trained to provide sheltering and feeding in a catastrophic disaster. FEMA has also developed some contracts with private-sector companies to provide resources as well.

Our report found that FEMA's initial assessment of mass care capabilities in selected States did not include the sheltering capabilities of all voluntary organizations and did not address feeding capabilities outside of shelters. Our report recommended that FEMA take steps to better incorporate voluntary organizations' capabilities into its assessments of mass care capabilities. FEMA disagreed, saying that Federal, State and local government cannot command and control private-sector resources.

However, FEMA is required, under the Post-Katrina Act, to establish a comprehensive system to assess the Nation's overall preparedness. Such an assessment should account as fully as possibly for voluntary organizations' capabilities. Taking steps to assess capabilities more fully does not require controlling these resources but, rather, cooperatively obtaining and sharing information. Without such an assessment, the Federal Government will have an incomplete picture of the mass care resources it could draw upon in large-scale disasters, as well as of the gaps that it must be prepared to fill.

And finally, voluntary organizations continue to face challenges in preparing for large-scale disasters. Reliant on volunteers and donations, many organization struggle to raise private funds to help them better prepare for future disasters, especially potentially catastrophic ones.

While FEMA told us some Federal emergency preparedness grants could help, its guidance did not clearly state that voluntary organizations could be considered among those as eligible subgrantees. In our report, we recommended that FEMA clarify States' ability to consider voluntary organizations as among the potential recipients of Federal preparedness funds, and FEMA agreed.

In conclusion, recent events bring home once again the critical role of the Red Cross and other voluntary organizations at such times, as well as the importance of preparing for large-scale disasters. As it stands now, the Nation is not yet as prepared as it needs to be to shelter and feed survivors of a catastrophic disaster.

This condition includes my statement. I would be happy to answer any questions you may have. Thank you.

Ms. NORTON. Thank you very much, Ms. Fagnoni.

Mr. Becker, of the Red Cross.

Mr. BECKER. Chairwoman Norton, good afternoon. My name is Joe Becker, and I lead the American Red Cross disaster relief efforts nationally. Thank you for your invitation to speak here today.

I was asked to address two issues: the GAO report on mass care capabilities in catastrophic events and how the nonprofit sector organizes and responds to disasters.

I will start with how the sector works. I think the best word to describe how the nonprofit sector works is ″layers.″ If today is an average day, the American Red Cross will respond to about 200 disasters around the country, and most of these will be very small. It is an apartment fire, it is a transportation incident. We are called on the scene by a local fire department, and we respond. We don't pick and choose which disasters we respond to; we always respond when called.

The things we do in a very small disaster, say, an apartment fire, are the same things we do on large disasters. We provide a safe shelter for people, and we feed them in the shelter. We feed the community at large, driving through neighborhoods that are affected. We distribute supplies that are over and above what Admiral Johnson was referring to in points of distribution, or PODs. We provide mental health with volunteer psychiatrists, psychologists, mental health professionals. Our nurses provide first aid and minor health-care treatments. And we provide safe blood and blood products.

I described the very small disaster that the Red Cross typically responds to alone. If something is a little bit bigger than that—you live here in the District; remember the recent flooding adjacent to here in Fairfax County—if a disaster is a little bit bigger, we will be joined by great partners that we work with very closely. They are typically faith-based groups. Catholic Charities, Southern Baptists and the Salvation Army would be the primary ones that typically join us on larger-scale relief efforts.

Then, if something is quite large—the Midwest floods, Ike, Gustav—we are joined by a large number of organizations. On something that big, everyone wants to help, and no one more so than the faith communities. And you will remember in Katrina, that was one of the frustrations people had. A church or local group would want to open up a shelter or open up a kitchen, and, frankly, after 2 or 3 days if they fatigued, if they turned to the American Red Cross for support, they got varying answers depending on where they were. Our biggest lesson—and you heard the GAO report address it—is, how do we bring community groups together to serve? And that is what we have been about post-Katrina.

In a disaster, 90 to 95 percent of the people take care of themselves. They check into a motel, they go stay with mom, they stay with friends, they stay with family. It is the 10 percent, maybe 5 percent, of people who can't care for themselves or don't have those options, that is who the American Red Cross cares for in disasters. They are older than the population at large. They are poorer than the population at large. And, typically, they are less healthy than the population at large. It is the frail elderly, in particular, with which we spend an awful lot of our time and service.

And what we have been about post-Katrina is bringing other organizations who can help with those people into the operations. Nationally, we have about 150 partnerships with organizations that don't have a disaster mission but can help in time of disaster: examples like the Urban League, the NAACP. In fact, in Mayor Nagin's city, the NAACP is who helped the Red Cross distribute meals post-Gustav.

We have done a lot here. We have thousands of partnerships, particularly on shelters where we train a church, equip them, supply them, pay their bills after a disaster. That way, we make sure we are serving a very inclusive response; geographically and demographically, we are reaching everybody that we should. The best outcome is local people helping local people before the Red Cross brings large numbers of volunteers from all around the country in to respond.

How is the sector coordinated or organized? The American Red Cross has a primary mission of disaster relief. There are eight other national nonprofits who don't have a primary mission for disaster but who take a role and bring value in time of disaster. The new National Response Framework tasks the American Red Cross with integrating the efforts of the nine national nonprofits who deliver service and disaster relief, and we do that. We share information, and we plan service delivery.

Locally, though, in over 3,000 counties, that organization is done in various ways. Sometimes the Red Cross coordinates other nonprofits. Sometimes the local emergency manager does. Sometimes another organization will. That is a local decision. And we receive great support from FEMA, who has people in each of its regions who help coordinate the voluntary sector as well.

Addressing the GAO report, I would like to be very clear here. We have used the word in this hearing several times today: "overwhelmed." What we are talking about is: are we ready—the Red Cross and our nonprofit partners—for a catastrophic event? That is not the California wildfires or Hurricanes Ike or Gustav or any of those disasters. I think we have demonstrated in those disasters our ability to respond and to respond well.

Post-Katrina, the American Red Cross made significant efforts and investments to improve our capabilities. And part of that was to quantify our worst-case scenarios. Not necessarily disaster scenarios with large numbers of fatalities or casualties. Rather, we were looking at what scenarios would most stress our ability to feed, our ability to shelter, our ability to distribute supplies. And we picked six scenarios, as outlined in the report.

So, for example, the most catastrophic thing that could hit New York was a hurricane, not in terms of number of fatalities or casualties, but in terms of demands on sheltering, demands on feeding. Another scenario was a terrorist attack here in the District, and we looked at other scenarios as well. We fed that information to FEMA as part of their gap analysis, but our internal data is what the GAO used in the report.

For example, here in the District, you said we would need to shelter 300,000 people and we only have spaces for 13,000. I think what the report from the GAO might not recognize is, if something happens here in the District, the sheltering is not going to happen

here in the District. To your point, Madam Chairwoman, they are going to go to a multi-State area. And we have modeled this out. And we have 718,000 shelter spaces in the multi-State area around the District. And if we needed to add Pennsylvania, that would add another half-million shelter spaces. And, again, typically, we are only sheltering 5 to 10 percent of the people who evacuate.

The bottom line: we obviously agree with the GAO assessment—it was our data that they used—that we are not ready for the worst things that we can imagine. We were trying to look at disasters that would make Hurricane Katrina look small, and those were the scenarios that we were working with. The Nation is not ready for disasters that would make Katrina look small, and the American Red Cross is not ready to deliver mass care on that type of scale. Our numbers show that we have a long way to go.

But it is the nature of a catastrophic event that no one organization can handle it all and Government can't handle it all, the Federal Government, nor the Red Cross, nor our partners. It is the collective capability of the country that we need to address and make sure is big enough for a catastrophic event.

And, finally, Madam Chairwoman, my key issue, and it has been covered several times in this hearing: it is the money, where it comes from, and who pays for what in terms of nonprofit mass care service delivery. Our work is typically funded by people who give. And, typically, when Americans see a large-scale event, they are very generous in supporting nonprofit service delivery. Our recent experience has been different from that, however. We have had so many disasters, and in a tough economy we have been having trouble raising the cost of our relief effort.

But it is one thing to ask a donor to pay for feeding and sheltering and caring of people. It is very different to ask Americans to pay for what it costs to be ready to respond to a disaster: for warehouses, for call centers, for recruiting volunteers, for training those volunteers. That is very, very hard. And the GAO report correctly states that nonprofits are an integral part of mass care. We are the service delivery. It is not a layer-on or a nice-to-have. We are who do that work. And if we falter, the Nation's response will falter.

The GAO report also correctly states that the Red Cross and its partners need to build greater capacity. We do, and we understand that.

The GAO report, finally, correctly says that nonprofits are largely shut out of the grant process to build this capacity. While FEMA intends nonprofits to be eligible, we have to go through a county or State to receive grant money. And, frankly, they are the decision-makers as to whether we would be included in that grant process or not.

A simple solution to this that I commend to your attention is to allow national nonprofits, particularly those with NRF responsibilities, to apply directly to FEMA for capacity-building grants. This is simple; this is relatively easy to do. It makes a lot of sense, and it would make a big difference.

In closing, the Red Cross has built a lot of capacity in recent years, we have been repeatedly tested, and we have performed well. But there are catastrophes that we can imagine that will

make Ike and Gustav and all the recent events look very, very small. These will make Katrina look small by comparison. We can imagine these events, and we need to get ready. And, Chairwoman Norton, we appreciate your support.

Thank you very much.

Ms. NORTON. Well, thank you, Mr. Becker.

Let me start with Ms. Fagnoni.

You indicate that the Red Cross and similar organizations would be overwhelmed, in the context of having to deliver services. Was the Red Cross overwhelmed in Katrina, for example, during Katrina?

Ms. FAGNONI. We did issue reports after Hurricane Katrina that highlighted issues and problems that the nonprofit sector did encounter, including the Red Cross, and made some recommendations, both to the Red Cross as well as to FEMA, on how to make those improvements.

I think the Red Cross would agree with me that Katrina really tested that sector and the Nation's ability to respond to that kind of disaster in a way that they hadn't really been tested before, in terms of the scale.

Ms. NORTON. I know that the State was overwhelmed. I know that FEMA was overwhelmed. I am asking, in your view, was the Red Cross overwhelmed as well?

Ms. FAGNONI. It definitely faced challenges, yes, and had difficulty——

Ms. NORTON. I am trying to find out what ″overwhelmed″ means in the context of service delivery.

Ms. FAGNONI. What we were really looking at and what we were asked to look at by a number of the congressional requestors who asked us to do this work was to look at the catastrophic incident supplement; what would happen in a really major catastrophic event, Katrina or larger——

Ms. NORTON. And so, how do you define catastrophic incident?

Ms. FAGNONI. For purposes of our report, we based it on the kinds of scenarios that had been developed by FEMA and by the Red Cross to look at a situation where there was widespread destruction, potentially large loss of life, significant communications destruction, really major——

Ms. NORTON. So would Katrina——

Ms. FAGNONI. Katrina or worse, yes.

Ms. NORTON. Okay. We can't even imagine worse. But I think Katrina gives you all you need to know to know about a catastrophic event. Although, Congress does not define—I guess that is left to the President.

So I am trying to, given the scenarios you have looked at, to understand when would we know that the Red Cross was overwhelmed? When it didn't have enough people to deliver the service, is that what you think is going to happen? I mean, after all, they only have the supplies that they have, and they usually come from the government.

So I am trying to understand what makes you believe—whether there has been an event that made you understand that, based on their performance at that event, they were overwhelmed there, so they would certainly be overwhelmed in event of a catastrophic

event? Or whether you were looking at certain indicators to say, in the event of some scenario?

Ms. FAGNONI. That is right; we were looking at the scenario planning.

Ms. NORTON. As far as I am concerned, you have had the scenario. If Katrina wasn't a scenario, then I don't know what we are waiting for. Normally, we have to do these things by computers. There it was done for you.

But go ahead. Was there a scenario that, for example, fed off of Katrina?

Ms. FAGNONI. Yes, I believe there were scenarios that looked at hurricanes that were at least as large as Katrina.

Ms. NORTON. Okay. So, in what way would they be overwhelmed?

Ms. FAGNONI. We were looking specifically at the mass care pieces of the puzzle, which is where the voluntary sector really provides the services. And it was a combination of, in some cases, the capacity in terms of sheltering space, combined with the availability of trained—whether it is volunteers or staff—trained people to staff those facilities.

For example, in New York City I believe, the Red Cross identified a lot of bed space, shelter space, something like 300,000. But what they also identified was a limited number of volunteers or staff who were trained to staff those shelters.

Ms. NORTON. Now, who does the training?

Ms. FAGNONI. The Red Cross does a lot of its training, and they also cross-train with other voluntary organizations.

But what we also note in the report is that the local governments, in conjunction with the Red Cross, are planning and doing their own training. For example, New York City has plans to and is training its own city employees, so they can staff shelters in the event of, let's say, a catastrophic occurrence.

Ms. NORTON. That is unusual. So the training has to come from Red Cross or Red Cross volunteers. New York is a mega-city.

Ms. FAGNONI. In Los Angeles, I understand that the Red Cross is helping train city employees there.

Ms. NORTON. So do you believe that cities should be training city employees to assist the Red Cross so that it will not be overwhelmed?

Ms. FAGNONI. I think the way New York City is approaching this is they have plans to staff up shelters initially, and then the plan is, in working with the Red Cross, that they could turn that capability over time to the Red Cross, but they would be able to step in to try to provide some surge capacity.

Right now, for example, what you had in Katrina is there were a lot of entities that stepped up. There were places, as I think Mayor Nagin made reference to, where the Red Cross didn't set up shelters and these, what were called, pop-up shelters emerged, where churches and other organizations would set up sheltering. But what we and others found is that the people who set those up were very well-intentioned but often didn't really understand what they were getting into; didn't have the training, didn't understand all the things that go with trying to set up a shelter.

So I think people are learning from this and trying to understand. The voluntary sector, as important as it is, cannot do it alone and wouldn't be expected to do it alone in a really large-scale disaster. So this kind of gap analysis and assessments that the Red Cross and FEMA have been doing we think are helpful in helping people understand what might be needed, and how these various entities that have responsibility can work together to provide the necessary capabilities—State, local, Federal, nonprofit, business sector, all of the different players.

Ms. NORTON. Mr. Becker, how do you receive the suggestions that maybe city employees could be equipped to step in until Red Cross came or to assist the Red Cross in large cities, for example, or perhaps elsewhere?

Mr. BECKER. Madam Chairwoman, we ask them to. That was our request of the city.

I think what we have to be clear about is there are no-notice events, like earthquakes, where what we have there right then is all we have to respond with. And then, in the case of hurricanes, we can move thousands of people in before the storm hits, we can make sure we have all of our supplies. We were focused on the no-notice events, because I don't want to take 3 days to get thousands of people brought into San Francisco after an earthquake. I want to have a lot right there.

Ms. NORTON. So the city employees could be useful, is that what you are saying?

Mr. BECKER. That is who we are training to help work with the Red Cross and shelters.

Ms. NORTON. In how many cities is that happening?

Mr. BECKER. I would have to get you that information. But we have gone to multiple States and asked them to pass legislation to free their workers up to become Red Cross workers.

Ms. NORTON. I just think that is very important. When you talk about trouble in raising money and volunteers, I expect it to get worse, not better. You know what is on the Hill today and this week. So, as we think about where is the money, where are the people going to come from, I must say, Ms. Fagnoni's notion, which you now say is something that you have been doing, has legs, as far as I am concerned.

Now, you say that each State would have to, of course, indicate that its employees, while still employed I take it, could assist in the shelters. And so far, LA and New York——

Mr. BECKER. San Francisco.

Ms. NORTON. —have done that. It does seem to me that that is an idea that the Federal Government should encourage, because I don't know where more resources or more people are going to come from.

Ms. Fagnoni, I am not sure what shelters you are talking about. You are talking about Red Cross shelters. Like, what is the Red Cross shelter in D.C.?

Because, you know, there may be shelters that would not be, quote, "Red Cross shelters" that the city provides. So when you say the Red Cross doesn't have the ability to shelter, I am not sure what sheltering you are specifically referring to.

Ms. FAGNONI. We used the available data we could get. And the data that were available—we used FEMA data for trying to estimate some of the need, and we used the Red Cross's own internal data, as Mr. Becker mentioned——

Ms. NORTON. Mr. Becker, in a place like D.C., I don't know what she's calling a Red Cross shelter.

Mr. BECKER. Sure. Thank you for asking. We don't own any buildings——

Ms. NORTON. That is right. So why is she assigning it to the Red Cross? Because there is a pre-existing agreement?

Mr. BECKER. Correct. We have 50,000 buildings in this country that we have inspected and put into a database and know the capacity of that are ready to be shelters. And the issue here is who declares a shelter. The local emergency manager declares a shelter. I can't take over a high school and say the gym is now a Red Cross shelter, but the local emergency manager can and does.

So working within the county level or in the district level here, everyone knows what the buildings are that could be shelters. We have already identified them, we know where they are. Now, depending on the——

Ms. NORTON. And so, are there lots of people running shelters besides the Red Cross?

Mr. BECKER. We are the primary shelter organization. Most communities turn sheltering over to the Red Cross. Most States turn sheltering over to the Red Cross.

Ms. NORTON. Where would they be in D.C.? Do you know off the top of your head? Is it the Armory?

Mr. BECKER. The Armory was one. That is where we put people during Katrina who came here. The Red Cross ran that shelter. Typically they are schools—

Ms. NORTON. Well, if there was a catastrophic events—and she was addressing catastrophic events—many of these people might have need to go outside of the District. Perhaps you heard me give the Administrator 30 days to provide me with where residents in the District of Columbia, not part of a State, would go.

Have you been involved with localities like the District, where people may not be able to be sheltered in the State, almost surely would not be sheltered within the State, and thus would find themselves on somebody else's territory? How would that work?

Mr. BECKER. We have modeled out, if we evacuated the District, where we think the people would go. Now, that is not a precise science, but we believe they would go to Maryland, Virginia, West Virginia and Delaware.

Ms. NORTON. Does Maryland, West Virginia and Delaware know that?

Mr. BECKER. I am sorry?

Ms. NORTON. Do Maryland, West Virginia, Virginia and Delaware know, "Here we come"?

Mr. BECKER. Yes, they do. Yes, they do.

Ms. NORTON. And they are prepared with shelters to receive residents of the District of Columbia?

Mr. BECKER. There are 1,821 shelters in those States that can handle 718,000 people.

Ms. NORTON. Now, they are prepared to receive out of State, and that is why, for example, Texas received people from Louisiana?

Mr. BECKER. Sure. The American Red Cross's job is to be on the receiving end and open up adequate shelters wherever the people evacuate to. So, during Gustav, we sheltered in 11 States.

Ms. NORTON. So, wait a minute. The pre-existing agreement that this is a Red Cross-designated shelter goes not only for residents of that State, but whoever may need to come to use a shelter in that State?

Mr. BECKER. One of the fundamental principals of the American Red Cross is that that shelter has to be open to anybody.

Ms. NORTON. This is very important for the residents of the District of Columbia who know there is not enough room here to hear.

Well, Ms. Fagnoni, don't you think it was a little misleading to say that there are only 13,000 shelters available for the residents of the District of Columbia in a case of a mass casualty, since they would have been to evacuated almost surely to other States?

Ms. FAGNONI. We were using the Red Cross's data, and, actually, those data do include the surrounding counties.

Ms. NORTON. 13,000?

Ms. FAGNONI. Yes.

Ms. NORTON. Well, wait a minute. Because have you Mr. Becker right here. Now, Ms. Fagnoni now says the 13,000 that could be sheltered includes not only the District of Columbia but the, quote, ″surrounding——

Mr. BECKER. Counties.

Ms. FAGNONI. Counties, right.

Ms. NORTON. Now, a mass shelter would mean perhaps as many as 150,000 people being evacuated. Where would they be sheltered?

Mr. BECKER. I would suggest that if the District evacuated in a terrorist incident, they are not all going to go to Fairfax County and Montgomery County. It is not just a very close-in evacuation. Experience shows us that people disperse over a multi-State area. When Katrina hit, the American Red Cross sheltered in 26 States. That is where the people went.

Ms. NORTON. So, Ms. Fagnoni, I understand why you looked at the—and I think a lot of people would head toward the nearest shelters. But I would hope—and that is what the Administrator is going to have to get me—that they would be directed, as they were in Katrina. Katrina didn't take everybody to the closest shelter; they took people all the way to Arkansas and to D.C.

Mr. BECKER. Right.

Ms. NORTON. So they would apparently have to be directed. And if there was the kind of planning that I think is necessary, they would have to be directed to shelters where there are places to go, so that you wouldn't crowd up on people who were closest here.

I am just saying to GAO, you know, that could have raised alarms if we hear this, because the uninitiated think that that means there is no place else to go once you get past 13,000.

You indicate, Mr. Becker, that there are capacity improvements. Ms. Fagnoni has noted that, since they were there, there have been some improvements. And you talk about—you, after all, are quite decentralized organizations; that is why you are so valuable. Agree-

ments signed with 150 organizations at the local level. Is it the local level, the national level?

Mr. BECKER. National level.

Ms. NORTON. It is the national level. Okay. Since everything depends upon what is on the ground, who monitors these agreements to assure that the capacity levels are kept current? Because, as you say, there could be unexpected events, and a terrorist event would be just that.

Mr. BECKER. Sure, it is one thing for us to have 150 national agreements. I would suggest the most important agreements we have are our local chapters with local organizations. And we have thousands of those, post-Katrina.

The model here is we reach out to a church that might be in a difficult-to-serve part of the community or might speak a language we don't speak or more better represent the community. And we ask them long before the disaster, can we train you, can we give you our cots, can we give you our blankets and supplies? And what really gets their attention is we say, can we pay your bills if you are willing to become part of this community's disaster response? We don't ask them to become part of the Red Cross; we ask them to become part of the community's response. And those are the thousands of local arrangements that we have put in place.

When Gustav hit Louisiana, we sheltered about 18,000 people in Louisiana on the second night, and a fourth of those shelters were those partner shelters. They weren't all run by the American Red Cross. That was a good thing. We wanted——

Ms. NORTON. Do you think that shelter in northern Louisiana that a thousand poor people were shipped to was run by the Red Cross?

Mr. BECKER. No, ma'am. That shelter was part of the evacuation strategy for the people who left New Orleans on buses, that, as the Admiral said, was controlled by the State. And the State chose to operate the shelters on the receiving end of the buses. So the State——

Ms. NORTON. Probably because there wasn't any Red Cross shelter they could go to at that point?

Mr. BECKER. I would suggest to you that if you look at the State of Louisiana, there are buildings that could handle 67,000 people.

Ms. NORTON. That could handle 6,000 or 7,000 people?

Mr. BECKER. In Louisiana, 67,000, almost 70,000. And we only had 18,000 people in our shelters the second night of Gustav. We had excess shelter capacity in Louisiana when Gustav hit, but part of the plan for the bus evacuation—the State was very concerned that they would know where the buses were going, and they wanted to be the ones on the receiving end to take care of them. And, frankly, Madam Chairwoman, made several attempts to offer our support for those shelters after the first night.

Ms. NORTON. Well, wait a minute. You were on the receiving end. You are the service deliverer that Louisiana and everybody else is most accustomed to. Why did they decide to bypass the Red Cross shelters and go to a warehouse with a thousand people with no place to bathe and no privacy? Why would they have done that if you offered them shelters?

Mr. BECKER. There was a concern the storm was coming in on such a level—I mean, remember, it was a Category 4.

Ms. NORTON. Were you too near the storm?

Mr. BECKER. No. The issue was we all thought that we were going to fill our shelters up in Louisiana. That was a very distinct possibility. We did it during Katrina, and that we would be sheltering further away. And so the State made the decision to add shelters for the people who were bussed and that they would operate those shelters.

Ms. NORTON. I see. So it was anticipated that you would have people coming to your shelters, and that did not occur.

Mr. BECKER. Everybody who got in a car and evacuated themselves went to Red Cross shelters. What the State opened up were several buildings——

Ms. NORTON. But you were under capacity in the Red Cross shelter. If everybody went to the Red Cross shelter and you were under capacity, they thought that those shelters would be full? I see.

Mr. BECKER. We were planning on the worst. You have to plan for the worst——

Ms. NORTON. I see.

Mr. BECKER. —and we were all pleasantly surprised.

Ms. NORTON. I see.

Let me ask Ms. Fagnoni, we know that your report was in before Ike and Gustav, but if you look at Galveston, fairly catastrophic. We have seen problems with government, FEMA for example, getting supplies there. But when it came to distribution of supplies, the Red Cross is also involved in the point-of-delivery distribution with prepositioning of supplies.

Is it your view that where the Red Cross has prepositioned supplies, I guess it is their responsibility to then get the supplies to their centers, that in a mass casualty they would have difficulty doing that?

Ms. FAGNONI. You are right, we didn't look specifically at Gustav for our report. But we do talk about some of the actions that the voluntary organizations have taken since Katrina to try to better deal with some of the logistical issues that came up. And, actually, I know the Red Cross and the Southern Baptist Convention tend to work together a lot, in terms of supply chains and prepositioning. And a number of these voluntary organizations have started prepositioning more supplies, putting global positioning systems in their equipment and things like that. So, in a general sense, they are trying to be responsive.

But the scenario and to what extent the Red Cross is working in conjunction with others I think would depend on the specific scenario. They may or may not only be managing their own resources, they may also be working in conjunction with other voluntary organizations.

Ms. NORTON. Yes, Mr. Becker, did you want to respond to that?

Mr. BECKER. Thank you very much.

The points of distribution that you heard the Admiral refer to and where we had some issues, those are different supplies. That is ice and water, which FEMA, through the Army Corps of Engineers, prepositions into a community to support people post-disaster.

We don't typically receive our supplies from government. When we feed people, we buy that food or we get it donated. When we distribute rakes and shovels and clean-up kits and toiletry kits, we buy those or we get those donated. We don't receive those from government.

Sometimes on those PODs, or points of distribution, you will see Red Cross workers there, our volunteers, because there is just not enough people to hand things out, so we will give volunteers to local government. But those PODs are giving away ice and water and MREs from the military, frankly. That is a different supply chain than what we use to feed community, to shelter people, to distribute in communities.

Ms. NORTON. Well, I am sure Ms. Fagnoni would agree that the country regards the Red Cross as heroic in times of disaster. We don't, by any means, assign to you all the mass care responsibility. After Katrina, we know that much of that responsibility would be beyond anybody, except the government, to help take care of.

Indeed, Mr. Becker, you say that even with Gustav and Ike, Louisiana thought it would have to set up its own facility. And look what it did. It shows you that, when you are armatures at it, as the State clearly was if they put a thousand people in a warehouse with no bathing facilities, you are not likely to do it very well.

So we are very, very concerned that the Red Cross continue to work closely. We understand the funding difficulty. You have heard me ask those questions. This is not an appropriation hearing. We are trying to find out how it works, following the GAO report. We recognize that the Red Cross is being put in an untenable position, but we think so is government.

And one of the things we are going to have to figure out, as we become overwhelmed, is how to make sure the Red Cross, who has been doing it virtually by themselves as an agent of the government, but with volunteers, with donations, we are going to have to ask ourselves some tough questions, whether or not we can expect you to continue to do what you do. Yes, there is some Federal funding for certain kinds of missions, but we are going to have some tough questions to ask ourselves, particularly before any catastrophe strikes of the kind that is now unexpected.

Your testimony, both the GAO report, has been helpful to us. I am sure it will be to Mr. Becker.

And, certainly, Mr. Becker, the Red Cross is continuing activities essential to the United States of America. We want to thank you for it. We will continue to work with you. And your testimony has made us understand, as has the GAO report, how we as a Subcommittee have to proceed in order to make sure that FEMA works closely, even more closely, with the Red Cross to maximize its internal capacities and responsibilities.

You have had your own problems. I am not going to ask you about your turnover and presidents and the like. Because it looks like when you get a problem, you try to then go to the next step and get a new manager. As long as you do that and you continue to do the kind of work you have been doing on the ground, all we can do is thank you.

I thank both of you for very helpful testimony.

Ms. FAGNONI. Thank you.

Mr. BECKER. Thank you.
Ms. NORTON. And this hearing is adjourned.
[Whereupon, at 5:00 p.m., the Subcommittee was adjourned.]

The Honorable Sam Graves, Ranking Republican Member
Subcommittee on Economic Development, Public Buildings and Emergency Management

Hearing on "FEMA's Response to the 2008 Hurricane Season and the National Housing Strategy"

September 23, 2008

[WHEN RECOGNIZED]

Thank you, Chairwoman Norton, for holding this hearing on the Federal Emergency Management Agency's response to this year's hurricane season, the National Disaster Housing Strategy, and the Red Cross.

I also want to thank our witnesses for being here today to discuss these important issues.

When FEMA was transferred into the Department of Homeland Security, it was stripped of many of its functions and authorities. As a result, the Department's failed response to Hurricane Katrina was an unfortunate, but predictable, consequence of FEMA's diminished capabilities. In the aftermath of Katrina, this committee and the Select Katrina Committee conducted a full investigation and review of the government's preparations for and response to Katrina.

In 2006, as a result of these investigations, we drafted the Post-Katrina Emergency Management Reform Act to improve the government's response to all types of disasters.

We declared in law that the federal government will pursue an "all hazards" approach to natural disasters, terrorist attacks, and any other emergency we face.

We restructured the Department of Homeland Security to restore FEMA's authority and responsibility for managing all aspects of disasters.

We required FEMA, the Department of Defense, and other federal agencies to greatly enhance their coordination both before and during an incident.

We required FEMA to rebuild its workforce, response teams, and planning efforts, including the development of a National Disaster Housing Strategy.

And we insisted FEMA enhance its logistics and communications capabilities.

However, issuing reports and passing laws are of little value if they are not implemented.

While Congress has provided direction and financial resources, the men and women of FEMA deserve tremendous credit for the progress they have made in improving our capabilities since Katrina.

Admiral Johnson I hope you will convey to Chief Paulison, and all the employees of FEMA, how much we appreciate their dedication and hard work to help the American people in times of crisis.

We understand the Post-Katrina reforms are a work in progress and there is still much more to do.

This year's Hurricane season and Hurricanes Gustav and Ike, in particular, were the first real test of FEMA's implementation of those reforms. It is clear there were many improvements made, such as better coordination with State and local officials and the evacuation of South East Louisiana. However, other areas such as transitional and long-term housing need work.

In order to ensure a coordinated response, all entities involved must have clearly defined roles. Just this month, the Government Accountability Office issued a report on FEMA and the role of voluntary organizations in disaster response and recovery. This report highlighted the need to

clarify the roles of entities like the Red Cross, particularly during a catastrophic event.

The Red Cross has been a life-line for many people impacted by disasters. Recognizing its crucial role is important; however, we must be careful not to forget that it is a non-profit organization dependent on donations. The resources of the Red Cross have been spread thin and it has recently requested federal funds. We must set reasonable expectations for these organizations so as to not blur their missions with those of governmental entities.

Another issue we are focusing on today involves the National Disaster Housing Strategy. The Post-Katrina Act directed FEMA to develop a strategy to ensure that the housing needs of citizens displaced by major disasters are met.

It is clear that a one-size-fits-all approach to housing will not work. A strategy must take into account the

number of people displaced and the length of time they will be unable to return to their communities.

The housing strategy submitted by FEMA seems to take into account the complexity of this issue, but it is incomplete.

At this point, the strategy seems to anticipate two scenarios at the extreme ends of the spectrum. The strategy contemplates either that people be housed in temporary rental units – if they are available – or be relocated out of the area until they can move back into their homes.

In the case of Hurricane Ike, there are no available rental units or hotels in a number of communities in Texas. It has been reported that, under FEMA's transitional hotel voucher program, 4,000 people have checked into hotels and another 107,000 have qualified for it, but there are not enough hotel rooms available to house them.

The options people have left are either staying in a Red Cross shelter, which is intended to be a short-term solution, or moving out of the area. There is no middle ground. And, the housing strategy has offered no solutions.

In the past, mobile homes and travel trailers filled this housing gap. However, there are ongoing issues and concerns related to levels of formaldehyde. Until these issues are resolved or alternative solutions are identified, there is no viable middle ground to address temporary housing needs that would allow people to return to their communities while they rebuild.

The potential result of this deficiency is that people, who are displaced for extended periods of time, may decide not to return. After months or even years of making new roots in new communities, returning to their former homes may prove to be difficult. That is why it is important for us to examine ways that we can fill this gap in temporary housing needs.

I look forward to hearing from the witnesses today.

I would like to thank Chairwoman Norton for holding this hearing.

Thank you.

STATEMENT OF
CHAIR ELEANOR HOLMES NORTON
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT

"FEMA's Response to the 2008 Hurricane Season and the National Housing Strategy"

SEPTEMBER 23, 2008

We are pleased to welcome all of you today to our hearing, especially our witnesses, on FEMA's response to the 2008 Hurricane Season and on the National Disaster Housing Strategy. This year's Hurricane season has been unusually active and once again has had a dramatic impact on America's Gulf Coast region. The President has declared 13 major disasters or emergencies under the Stafford Act for Hurricanes and Tropical Storms in the 2008 Hurricane season, however, including Tropical Storms Edouard and Fay, and Hurricanes Bertha, Dolly, Gustav and Ike. More than two million people evacuated in the wake of Hurricanes Ike and Gustav. The American people must be assured in the midst of yet another powerful hurricane season that the country is prepared for seasonal and terrorist events alike and that FEMA has developed a coherent housing strategy for addressing the inevitable aftermath of large scale disasters.

We can make no final judgment until all the evidence is in, but the federal, state and local authorities appear to have done a credible job in evacuating citizens away from hurricane danger. At the same time, despite improvements from three years ago, a number of the problems may remain, such as emerging complaints that New Orleans's poorest residents were transported on busses with no announced destination and warehoused in crowded and substandard conditions. If so, we fear that next time many residents may choose to remain in place as they did during Hurricane Katrina. I spoke with FEMA Adminstrator David Paulson, as the evacuation was beginning. His assurance concerning complete evacuation materialized, but he also spoke of specific destinations and pre-positioned supplies that complaints from Louisiana now call into question.

To address the issues of accountability that were on stark display during the Katrina response, Congress passed our Post-Katrina Emergency Management Reform Act of 2006, which prescribed directives that were necessary to prepare for the next disaster. Among the most important was a mandate to FEMA to submit a report to Congress describing the National Disaster Housing Strategy. In response, FEMA drafted a National Disaster Housing Strategy and requested public comment on July 24, 2008. In anticipation of this hearing, which was previously postponed at FEMA's request, I appreciate that FEMA extended the comment period on this important policy so that comments from today's hearing can be included on the public record.

The Post-Katrina Act requires the FEMA Administrator to ensure that a new National Disaster Housing strategy provides a comprehensive approach to housing victims of a disaster for the immediate and long-term as needed, consistent with the

Administrator's role as the principal emergency management advisor to the President. In reviewing and analyzing the National Disaster Housing Strategy, today's hearing will help the subcommittee understand the Strategy's strengths and weaknesses within the context of the Post-Katrina Management Reform Act. The aftermath of Hurricanes Gustav and Ike also should help us gauge the effectiveness of the Post-Katrina Management Reform Act and of FEMA's first significant test under the Act.

We especially appreciate the testimony we will receive from Mayor Ray Nagin of New Orleans about the most recent responses after Gustav and Ike came ashore, the evacuation, and the ability of FEMA, the city and state to provide the needed assistance and progress since Hurricane Katrina. It will be important to hear of improvements that the city of New Orleans, the state of Louisiana and FEMA have made in responding to these hurricanes, but equally important is testimony concerning other important elements of preparation and response, including planning and consultation among the authorities that were involved, as well as the remaining challenges.

As we focus on conditions of citizens after the storm, this Subcommittee also is particularly concerned about the role and responsibilities of the American Red Cross, a congressional chartered organization, which has a major assistance role in recovery from disasters. A recent GAO report found that the Red Cross and other disaster relief charities, such as the Salvation Army and the United Way of America, are unprepared to meet mass casualty needs in the aftermath of a major disaster. We have called both GAO and the Red Cross to testify today, in light of GAO findings that a large scale disaster could overwhelm the Red Cross and other charities that have federal responsibilities for assisting the government in providing assistance to victims of disasters. In the aftermath of the devastation of Katrina we must look at the issues differently and broadly and take measured action. If the Red Cross is expected to play a role in recovery from major disasters, we must work with FEMA to define the functions that the Red Cross and other relief charities realistically can perform to supplement the federal government's role.

We look forward to hearing from today's distinguished witnesses this afternoon and thank them for their testimony.

STATEMENT OF
CHAIRMAN JAMES L. OBERSTAR
TRANSPORTATION AND INFRASTRUCTURE COMMITTEE

"FEMA's Response to the 2008 Hurricane Season and the National Housing Strategy"

SEPTEMBER 23, 2008

Good afternoon and welcome to today's hearing. This hearing on the National Disaster Housing Strategy represents this committee's continued commitment to the oversight of the Federal Emergency Management Agency (FEMA). Three years after Hurricane Katrina and Rita devastated the Gulf Coast this Committee remains dedicated to make sure FEMA is prepared for all aspects of the next major disaster. Today's hearing represent's this subcommittee's 12th hearing on FEMA related issues in the 110th Congress.

FEMA's National Disaster Housing Strategy is expected to provide a comprehensive plan to serve as the "blue print" for the Federal Government's successful response to housing victims of a disaster. The Post Katrina Emergency Management Reform Act of 2006 Congress mandated that FEMA create a comprehensive plan that dictated strategies short term and long term strategies for housing disaster victims. This type of policy change in the aftermath of Katrina is exactly what Congress felt was necessary after Katrina. Congress wanted to see FEMA provide professional, clear and direct assistance to local and state officials overwhelmed by a disaster.

I understand that the National Disaster Housing Strategy is in draft phase currently and will be subject to public comments that will reflect the feedback of today's hearing. This committee will remain ardent in its pursuit of the reforms in the Post Katrina Act and will perform the oversight necessary to ensure that those reforms take place. I continue to believe the reforms that FEMA needs requires it to be once again be an independent cabinet level agency before it became a part of the Department of Homeland Security. A

more independent FEMA would be able to provide the type nimble and clear advice needed by the President in the event of a disaster.

Americans across the country expect any future response to a disaster, whether it is a natural or man made disaster, to bear marked improvement from the disaster response of Katrina. I also believe it just as important today's to take discerning looks at FEMA's performance in the 2008 Hurricane Season, which to this date has produced thirteen (13) Major Disasters or Emergencies under the Stafford Act for Hurricanes or Tropical Storms. I welcome testimony today from Mayor Nagin, a public official in a unique position to provide a snapshot of the improvements of FEMA after the Post Katrina Emergency Management Reform Act of 2006 was passed as well as the challenges that FEMA still has in providing assistance to local officials overwhelmed by a disaster.

Equally compelling is the testimony the subcommittee will receive from the Government Accountability Office (GAO) and the American Red Cross about the ability to America's charities and nonprofits fulfilling its supplemental role in feeding and housing the disaster victims. It's important to know the limitations of the role that these organizations fill and how FEMA will address any shortfall in assistance that they may be able to provide in the event of a catastrophic disaster.

I look forward to the testimony of Mayor Nagin, FEMA, and the other officials about the National Disaster Housing Strategy and FEMA's response to the 2008 Hurricane season.

Embargoed until delivery
Tuesday, September 23, 2008
2:00 pm (EDT)

For more information, contact:
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TESTIMONY OF JOSEPH C. BECKER
SENIOR VICE PRESIDENT, DISASTER SERVICES
AMERICAN NATIONAL RED CROSS

Before the Committee on Transportation and Infrastructure
Subcommittee on Economic Development, Public Buildings and Emergency Management
United States House of Representatives

Chairwoman Norton and distinguished members of the Subcommittee, I am honored to appear here today on behalf of the American Red Cross. My name is Joe Becker, and I lead disaster services for the American Red Cross.

As you know, the Red Cross is the helping hand in times of disasters and emergencies. We shelter, feed and provide emotional support to those impacted by disasters in communities across our country and the world. We supply nearly half of the nation's blood. We teach lifesaving skills. And we support the military and their families. Whether it is a hurricane or a heart attack, a call for blood or a call for help, the Red Cross is there.

To date, we have had more than fifteen thousand volunteers working across the gulf providing food, shelter, and needed supplies to those affected by hurricanes Gustav and Ike. In many cases, our workers are living in group shelters and putting in very long hours, but each is called to serve because each wants to help those in need. Our volunteers respond to literally hundreds of disasters a day, ranging from single family fires to massive regional operations. Right now we have significant large-scale relief operations across Texas, Louisiana, and six other states.

The GAO's report on the role of voluntary organizations in providing mass care during a catastrophic event addresses a critical issue for our time. That issue is how the nation will meet the mass care needs that would be created by a worst-case, large-scale disaster such as a nuclear event, an earthquake in a major city, or a major hurricane striking a large metropolitan area. The American Red Cross and other voluntary agencies have played and will play an essential role in helping the victims of catastrophic events in our nation. If we falter, so will the nation's response.

At the Red Cross, we take this responsibility very seriously. In recent years, we have invested money and resources in expanding our capacity to handle large disasters, strategically reorganized our workforce around the anticipated needs, and worked diligently to lead the sector in collaboration and resource sharing. Together we have made significant progress; however, we must continue to challenge ourselves to improve. But in a catastrophic event such as the worst-case scenarios described in the report, no one organization – and no one sector – can do it all.

The Federal Government cannot do it all. The American Red Cross cannot do it all. The NGO community cannot do it all. Catastrophic disasters are by definition larger than any single organization or system, and must be addressed by a partnership among government at all levels, voluntary organizations, and the private sector.

Brief Overview of Mass Care and the American Red Cross

In a typical year, the American Red Cross responds to more than 70,000 natural and human-caused disasters, ranging from single family fires to large-scale, multi-state events. While every disaster is unique, the response is uniform as the Red Cross meets immediate needs through a nationwide system of disaster planning, readiness, response and recovery. In the earliest days of a disaster, our service priority is mass care, which includes sheltering, feeding, distribution of needed supplies, disaster health services, and disaster mental health services.

Red Cross disaster responses are primarily led and delivered by volunteers. In addition to local volunteers who respond to an average of 200 disasters a day nationwide, a network of more than 70,000 trained volunteers is available for possible travel outside of their home areas to respond to larger events. The Red Cross also has the capacity to manage large numbers of spontaneous volunteers, with more than 230,000 volunteers participating in the 2005 response to hurricanes Katrina, Rita and Wilma. In addition, key partners like those named in this report as well as NAACP, Hope Worldwide, Tzu Chi Buddhist Foundation, Boat People SOS, and faith organizations further expand mass care and direct client services capabilities. Our model for disaster services is collaborative, diverse, and inclusive; it takes the entire community to deliver an effective response in a large-scale event.

The foundation of the American Red Cross service delivery model is our chapter network, with more than 700 chapters across the nation that respond to the bulk of disasters. While the fundamentals of this model have been in place for several decades, the way that we support the structure on a national level continues to evolve. In May of this year, we created a tiered regional structure that shifted more disaster resources from headquarters to field units. We also downsized by approximately 1000 jobs, mostly at national headquarters, in order to reduce our cost structure.

Under our newly implemented structure, community chapters meet the needs of smaller disasters, larger regional chapters coordinate resources and lead responses, and each state coordinates state risk planning, volunteer development, readiness development, and partnership development. As has been the case for many years, larger responses (about 50 to 80 a year) are coordinated nationally.

In most responses, the Red Cross actively engages key community agencies, faith based groups, and the business sector to join in responding to community needs and to ensure an effective and scalable mass care response. We work side-by-side with local government agencies and state and federal agencies to ensure that needs are met in a coordinated fashion. We are seeing this coordinated approach work today in the response to hurricanes Gustav and Ike.

GAO Report Overview

The Red Cross agrees with the report's acknowledgement that voluntary organizations play a critical role in providing care to people affected by emergencies and natural disasters. The Red Cross, Salvation Army, Southern Baptist Convention, and Catholic Charities – among others – are part of the nation's emergency response infrastructure and a significant source of mass care services in major disasters. The report also accurately states that the Red Cross and other major

voluntary organizations have taken many steps since the storms of 2005 to strengthen service delivery and improve collaboration.

The Red Cross is engaged in year-round planning to ensure that we are as prepared as possible be for likely future events. However, there are practical limits to the capabilities of any one organization. As described in the GAO report, the Red Cross can envision large-scale disasters that would create needs that would surpass current capabilities. Effective responses require working with assets across many sectors, from government to non-government partners to community based organizations to citizens themselves. Citizens and response organizations share an obligation to be prepared to participate in an effective response.

Red Cross Capacity Improvements

To illustrate the American Red Cross's capacity for a large-scale operation, the GAO report notes that the American Red Cross has identified and entered into agreements with 50,000 potential shelter facilities across the country and that it has enough sheltering supplies, such as cots and blankets, to support up to 500,000 people in shelters. It also mentions our stockpile of shelf-stable meals and our ability to provide about one million hot meals per day over a six day period in partnership with the Southern Baptist Convention. These capacity improvements were made in the months immediately after Hurricane Katrina, and cost the organization in excess of $80 million.

Since 2005, the Red Cross has almost tripled the number of trained workers and volunteers from 26,000 to 75,000. We have positioned redundant communication equipment in 42 chapters. Perhaps most importantly, we have signed agreements with more than 150 organizations to help expand our capacity and reach into diverse communities.

Sheltering

As stated in the GAO report, sheltering depends on available volunteers as well as buildings, and there are limits to what one organization can do. At our peak after Katrina, we sheltered more than 140,000, and just a few weeks ago we sheltered 58,000 on a single night during Hurricane Gustav. But there are scenarios that create sheltering needs that can only be addressed through a combined effort that includes organizations beyond the Red Cross. Furthermore, the availability of public buildings for sheltering is also largely a government decision that is outside of our organization's control.

The report highlights sheltering capacity in Washington, DC as 13,000, and cites our forecast of a far greater need for sheltering in the event of a nuclear attack in Washington. Note, however, that it is often better to shelter in adjacent cities if a city's infrastructure is severely compromised. This is consistent with the model we most recently employed during Hurricane Ike, where Houston area evacuees were housed in shelters as far away as San Antonio and Dallas. In such instances, the realized sheltering capacity would be much higher than the 13,000 spaces that were identified in the Washington area. While we understand that evacuees would rather stay in or near their home communities, safe buildings, power, and infrastructure are obviously critical components to a safe shelter environment.

Red Cross Staff Reductions

The report states that the effect of this year's staff reductions at the Red Cross remains to be seen, but our performance during this year's hurricane season is a strong indicator that our capabilities

have not been compromised. While the number of paid staff in the organization is smaller, our remaining resources are more directly focused on critical functions such as disaster relief. Furthermore, more than 90% of workers responding to disasters are volunteers, and the number of available trained volunteers has increased substantially since 2005.

The report accurately acknowledges our concern that the lack of full-time dedicated Red Cross staff in FEMA Regional Offices could hamper communications and impede coordination efforts. To address this issue, we have requested federal funding to restore these positions. We are also working closely with FEMA to secure funding for these positions in the near term.

Documenting the Red Cross Role in a Catastrophic Disaster

Regarding the report's reference to the lack of documentation about the Red Cross's role in a catastrophic disaster, the Red Cross works closely with FEMA on a daily basis and our organization and FEMA have a strong understanding of our role. Although the Catastrophic Incident Supplement has not been updated since the National Response Framework was finalized, the Red Cross and FEMA agree that the Red Cross will serve in the same Support Agency role in a catastrophic disaster as it does in other disasters. In addition, the Red Cross and FEMA agree on the Red Cross's service delivery role in a catastrophic disaster. Formally documenting this agreement would be beneficial in future responses.

The GAO report makes several recommendations for action by FEMA which are best addressed by our colleagues at FEMA.

Conclusion

The landscape for the interaction of the voluntary sector and disaster relief has changed dramatically in the past 10 years. Events such as 9/11 and Hurricane Katrina have illustrated the need for a large and integrated system of responders, both government and private, that plan and work together to meet monumental needs in catastrophic environments. Recent events such as the California Wildfires, the 2008 Midwest Floods, and this year's ongoing hurricane operations have required an unprecedented level of integration, partnerships, and community collaboration.

We have stated in the past that no major metropolitan area is adequately prepared to respond to a catastrophic event. Furthermore, while the Red Cross has an obligation to the country to be ready and is taking steps to improve our capacity to respond, it is not possible for any one organization to build and sustain a level of preparedness adequate for large scale events. Effective response requires action from government at all levels, non-governmental organizations, and especially citizens. The county's response capabilities must be built, applied, and assessed collectively.

Recent disaster responses have also demonstrated that the public expects our largest historical efforts in service delivery to become the norm. That pace has forced critical agencies such as those named in the GAO report as well as many others to expend resources (both material and financial) at a rate that can outpace fundraising and/or revenue. In short, expectations of the sector in both quality and quantity of service delivery have created what may be an unsustainable system that our sector can no longer maintain.

It is clear that catastrophic planning and response for mass care on the scale referenced in the GAO report cannot be accomplished through charitable funding alone. Voluntary agencies will always face challenges in fundraising, especially during difficult economic times. This year, the Red Cross has responded to a record number of disasters, but fundraising has lagged far behind.

We have re-doubled our fundraising efforts and have launched an aggressive nationwide campaign to raise $100 million, but that alone will not cover our costs. That is why we are also seeking a Congressional appropriation of $150M for disaster services, and we respectfully urge Congress to pass it in this session.

As I mentioned at the beginning of my testimony, the American Red Cross and other voluntary agencies play a critical role in our nation's ability to respond to a catastrophic event. And, while no one organization or sector can do it all, we take our obligation to the country very seriously. Again, if we falter, so will our nation's response.

Thank you for inviting me here today to discuss this important issue with you. I am happy to answer any questions you may have.

United States Government Accountability Office

GAO

Testimony

Before the Subcommittee on Economic Development, Public Buildings, and Emergency Management, Committee on Transportation and Infrastructure, House of Representatives

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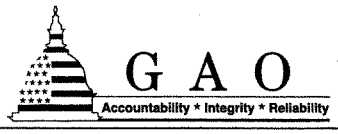
MASS CARE IN DISASTERS

FEMA Should Update the Red Cross Role in Catastrophic Events and More Fully Assess Voluntary Organizations' Mass Care Capabilities

Statement of Cynthia M. Fagnoni, Managing Director, Education, Workforce, and Income Security Issues



GAO-08-1175T

September 23, 2008

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Highlights

Highlights of GAO-08-1175T, a report to Subcommittee on Economic Development, Public Buildings, and Emergency Management, Committee on Transportation and Infrastructure, House of Representatives

Why GAO Did This Study

Voluntary organizations have traditionally played a major role in the nation's response to disasters, but the response to Hurricane Katrina raised concerns about their ability to handle large-scale disasters. This testimony examines (1) the roles of five voluntary organizations in providing mass care and other services, (2) the steps they have taken to improve service delivery, (3) their current capabilities for responding to mass care needs, and (4) the challenges they face in preparing for large-scale disasters. This testimony is based on GAO's previous report (GAO-08-823) that reviewed the American Red Cross, The Salvation Army, the Southern Baptist Convention, Catholic Charities USA, and United Way of America; interviewed officials from these organizations and the Federal Emergency Management Agency (FEMA); reviewed data and laws; and visited four high-risk metro areas—Los Angeles, Miami, New York, and Washington, D.C.

What GAO Recommends

In its previous report, GAO recommended that FEMA update and document the Red Cross's role in catastrophic events, take steps to incorporate voluntary organizations' capabilities in its assessments, and clarify funding guidance for certain disaster preparedness grants. FEMA disagreed with the recommendation to better incorporate voluntary organizations in assessments. We continue to believe such efforts are important for preparedness.

To view the full product, including the scope and methodology, click on GAO-08-1175T. For more information, contact Cynthia Fagnoni at (202) 512-7215 or fagnonic@gao.gov.

MASS CARE IN DISASTERS

FEMA Should Update the Red Cross Role in Catastrophic Events and More Fully Assess Voluntary Organizations' Mass Care Capabilities

What GAO Found

The five voluntary organizations we reviewed are highly diverse in their focus and response structures. They also constitute a major source of the nation's mass care and related disaster services and are integrated into the 2008 National Response Framework. The Red Cross in particular—the only one whose core mission is disaster response—has a federally designated support role to government under the mass care provision of this Framework. While the Red Cross no longer serves as the primary agency for coordinating government mass care services—as under the earlier 2004 National Plan—it is expected to support FEMA by providing staff and expertise, among other things. FEMA and the Red Cross agree on the Red Cross's role in a catastrophic disaster, but it is not clearly documented. While FEMA recognized the need to update the 2006 Catastrophic Incident Supplement to conform with the Framework, it does not yet have a time frame for doing so.

Since Katrina, the organizations we studied have taken steps to strengthen their service delivery by expanding coverage and upgrading their logistical and communications systems. The Red Cross, in particular, is realigning its regional chapters to better support its local chapters and improve efficiency and establishing new partnerships with local community-based organizations. Most recently, however, a budget shortfall has prompted the organization to reduce staff and alter its approach to supporting FEMA and state emergency management agencies. While Red Cross officials maintain that these changes will not affect improvements to its mass care service infrastructure, it has also recently requested federal funding for its governmental responsibilities.

Capabilities assessments are preliminary, but current evidence suggests that in a worst-case large-scale disaster, the projected need for mass care services would far exceed the capabilities of these voluntary organizations without government and other assistance—despite voluntary organizations' substantial resources locally and nationally. Voluntary organizations also faced shortages in trained volunteers, as well as other limitations that affected their mass care capabilities. Meanwhile, FEMA's initial assessment does not necessarily include the sheltering capabilities of many voluntary organizations and does not yet address feeding capabilities outside of shelters. In addition, the ability to assess mass care capabilities and coordinate in disasters is currently hindered by a lack of standard terminology and measures for mass care resources, and efforts are under way to develop such standards.

Finding and training more personnel, dedicating more resources to preparedness, and working more closely with local governments are ongoing challenges for voluntary organizations. A shortage of staff and volunteers was most commonly cited, but we also found they had difficulty seeking and dedicating funds for preparedness, in part because of competing priorities. However, the guidance for FEMA preparedness grants to states and localities was also not sufficiently explicit with regard to using such funds to support the efforts of voluntary organizations.

Madam Chair and Members of the Subcommittee:

I am pleased to be here today to discuss the disaster response capabilities of voluntary organizations. Voluntary organizations have long played a critical role in providing care to people affected by emergencies or natural disasters—no more so than in the aftermath of Hurricanes Katrina and Rita in 2005. Recently, the catastrophic loss of life from a major cyclone in Burma was also a sober reminder of the need for such organizations. In the United States, hundreds of voluntary organizations, most often locally or regionally based, routinely assist disaster victims with mass sheltering and feeding and other services. Among those able to provide resources nationally are the American Red Cross, The Salvation Army, the Southern Baptist Convention, Catholic Charities, and the United Way. In terms of funding, alone, following the 2005 hurricanes, the Red Cross raised more than $2.1 billion; The Salvation Army, $325 million; Catholic Charities USA, $150 million; the United Way, $28 million; and the Southern Baptist Convention, about $20 million.

While our nation's voluntary organizations have been critical complements to local, state, and federal government agencies during disasters, the magnitude of the September 11, 2001, terrorist attack and Hurricane Katrina, in particular, revealed the need to further build a national system of emergency management that better integrates voluntary agencies' efforts and capabilities. A national blueprint for such a system that coordinates voluntary, government, and private sector responders is outlined by the Department of Homeland Security's (DHS) 2008 National Response Framework (the Framework). National planning has been a complex process on many fronts—local, state, and federal government, and private—and many questions arise in the process. In particular Congress and others have raised concerns regarding the capabilities of voluntary organizations, in support of governments, to provide mass care and other assistance when there is a large-scale disaster.

My statement today is based on findings from our recently issued report on voluntary organizations' disaster response roles and capabilities.[1] This report examined the following questions:

1. What are the roles of major national voluntary organizations in providing mass care and other human services in response to large-scale disasters requiring federal assistance?

2. What steps have these organizations taken since Katrina to strengthen their capacity for service delivery?

3. What is known about their current capabilities for responding to mass care needs in such a large-scale disaster?

4. What are the remaining challenges that confront voluntary organizations in preparing for such large-scale disasters?

Overall, to address these objectives, we reviewed federal and voluntary organization documents; conducted site visits; interviewed local, state, and national governmental and voluntary agency officials; and reviewed relevant laws. More specifically, we reviewed governmental and other reports on the lessons learned from the response to Hurricane Katrina as well as key federal disaster management documents, including the 2008 National Response Framework; the Catastrophic Incident Supplement to the Framework, which describes the federal government's detailed strategy for coordinating a national response to a catastrophic disaster; and Emergency Support Function 6—Mass Care, Emergency Assistance, Housing, and Human Services Annex (ESF-6), which together describe the federal coordination of the delivery of federal mass care and other human services. We also interviewed officials from the Federal Emergency Management Agency (FEMA)—a federal agency within DHS that is the lead agency for responding to disasters. For five major voluntary organizations—the Red Cross, The Salvation Army, the Southern Baptist Convention, Catholic Charities USA, and United Way of America—we reviewed documents including their disaster response plans, memorandums of agreement, and various data, such as data on shelters and other mass care resources. We also interviewed voluntary organization officials at their national headquarters as well as the Director

[1]GAO, *Voluntary Organizations: FEMA Should More Fully Assess Organizations' Mass Care Capabilities and Update the Red Cross Role in Catastrophic Events*, GAO-08-823 (Washington, D.C.: Sep. 18, 2008).

of the National Voluntary Organizations Active in Disaster (NVOAD), an umbrella group of nationwide nonprofit organizations. To examine voluntary organizations' capabilities—especially in mass care—we conducted site visits to four metropolitan areas considered at high risk for different types of disasters, such as major earthquakes, hurricanes, or terrorist attacks: (1) Los Angeles, California; (2) Miami, Florida; (3) New York City, New York; and (4) Washington D.C. For each of these areas, we reviewed documents and obtained available data from the voluntary organizations on their sheltering and feeding capabilities. We also interviewed officials from the selected voluntary organizations; local and state government emergency management agencies; NVOAD's local affiliates, known as Voluntary Organizations Active in Disaster (VOAD); and FEMA's regionally based liaisons to the voluntary sector, known as voluntary agency liaisons. In discussing voluntary organizations' capabilities in this report, we do not attempt to assess the total disaster response capabilities in any single location that we visited or the efficacy of any responses to particular scenarios, such as major earthquakes versus hurricanes. We conducted this performance audit from August 2007 to September 2008 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. See appendix I for more information on our scope and methodology.

Summary

The voluntary organizations in our review are a major source of mass care and other services in large-scale disasters and play key roles in national response, in coordination with local, state, and federal governments, under the National Response Framework. Four of these organizations provide a variety of services such as mass care feeding, case management, and cleanup, while the fifth—the United Way—mostly conducts fund-raising for other organizations. The organizations' response structures also vary, from more centralized, with a high level of authority at the national level, to more decentralized, in which local units are autonomous. Most of the organizations coordinate their services with each other and governments at various levels through formal written agreements and equally important informal working relationships. The newly issued National Response Framework recognizes the importance of voluntary organizations in disaster response and specifically designates the American Red Cross as one of the support agencies for the mass care functions of ESF-6. This support role represents a change from the Red Cross's role in the earlier

national plan as the primary agency for mass care, because FEMA and the Red Cross agreed that the Red Cross—as a nongovernmental entity—cannot legally direct federal resources. Recently, in response to a major budget deficit, the Red Cross made staffing cuts and other changes in its operations and also sought federal funding to assist it with the cost of its support agency responsibilities under the Framework. The Catastrophic Incident Supplement to the Framework, which describes the federal vision of the national response to a catastrophic disaster, still characterizes the Red Cross as the primary agency for mass care, although both FEMA and Red Cross officials agreed that the Red Cross would serve as a support agency in accordance with the more recent ESF-6 role change. FEMA and Red Cross officials also agreed that the Red Cross would continue to provide mass care services in a catastrophic disaster, acting as a private service provider, regardless of any future revisions to this Supplement. While FEMA is revising an annex to the Framework on catastrophic incidents, according to agency officials, it does not currently have a time frame for revising the more detailed, operationally specific Supplement, although agency officials said they are in the process of establishing a review timeline. Although the Red Cross and FEMA told us that they understand the Red Cross's role as a support agency in a catastrophic event, there is no interim agreement documenting these expectations.

In response to weaknesses evident during Katrina, the four direct service providers in our review—Red Cross, The Salvation Army, the Southern Baptist Convention, and Catholic Charities—have taken steps to strengthen their service delivery by expanding service coverage and improving collaboration with each other on services, logistics, and communications. To address its gaps in service coverage, the Red Cross is in the process of implementing two main strategies: reorganizing its chapters and developing stronger partnerships with local community and faith-based organizations, particularly in rural areas with hard-to-reach populations. According to Red Cross officials, these initiatives are expected to improve service delivery while expanding services to communities that do not have established Red Cross chapters. While the Red Cross has made staffing cuts and other changes in response to its budget deficit, Red Cross officials reported that these service delivery initiatives would continue; nevertheless, the effect of these changes remains to be seen. Meanwhile, the national and four local offices of the direct service providers to varying degrees also strengthened their ability to coordinate services by collaborating more on feeding and case management and improving their logistical and communications systems. For example, to prevent future breakdowns in resource deployment and management, the Red Cross, The Salvation Army, and the Southern Baptist

Convention are working together to improve management of their supply chains.

Initial assessments have not fully captured the collective capabilities of major voluntary organizations; however, evidence suggests that without government and other assistance, a worst-case large-scale disaster would overwhelm voluntary organizations' current sheltering and feeding capabilities, according to voluntary organization officials and data we reviewed. The federal government and voluntary organizations in our review have started to identify mass care capabilities, but most existing assessments are locally or regionally based and do not provide a picture of nationwide capabilities. For example, FEMA's 2007 survey of disaster capabilities in selected states assesses sheltering but has not yet begun to address feeding capabilities outside of shelters. Moreover, it does not include all voluntary organization capabilities, since participating states only include information from organizations with which they have formal agreements, according to FEMA officials. In the metro areas we visited, these agreements were generally limited to the Red Cross. Except for the Red Cross, the other voluntary organizations we reviewed have not yet assessed their own nationwide capabilities, and some do not use standard terms or measures for characterizing mobile kitchens and other disaster resources. In the four metro areas we visited, the Red Cross, The Salvation Army, and the Southern Baptist Convention were able to provide data on their local sheltering and feeding resources, and they also report having substantial nationwide resources that can be brought to bear in an affected area for a large-scale disaster. Nevertheless, the need for mass care services in a worst-case large-scale disaster, as projected by government and the Red Cross, would likely overwhelm their current capabilities, according to voluntary organization officials as well as our analysis. For example, a major earthquake in a metropolitan area could necessitate shelter for as many as 300,000 people, according to DHS, but Red Cross officials in Los Angeles—a city prone to earthquakes— told us their local sheltering capacity is 84,000 people under optimal conditions. Voluntary organization officials also said developing additional capability is constrained by the limited availability of personnel and other logistical challenges. In recognition of these challenges, local governments we visited and FEMA officials told us they are planning to use government employees and private sector resources to help address sheltering and feeding needs. Red Cross and FEMA officials also told us that in a catastrophic situation, assistance will likely be provided from many sources, including the general public, as well as the private and nonprofit sectors, that are not part of any prepared or planned response.

National and local voluntary organizations, including local VOADs, in our study continue to face challenges in increasing the number of trained personnel, identifying and dedicating financial resources for preparedness, and strengthening governmental links. Officials from these organizations told us that they found it difficult to dedicate staff to planning and coordination activities for future disasters. In addition, shortages of trained mass care volunteers continue to be an ongoing concern despite the efforts of voluntary organizations and government agencies to build a cadre of trained personnel. Identifying and dedicating financial resources for disaster planning and preparedness becomes increasingly difficult for organizations in light of competing priorities. For example, while the Red Cross raised more than $2 billion following Katrina, currently the Red Cross commented that it has been difficult to raise public donations to support its capacity-building initiatives. Additionally, while DHS emergency preparedness grants are another potential source of such funding, voluntary organization officials told us they typically do not receive funding from these grants. According to a senior official from FEMA's grant office, FEMA considered voluntary organizations as among the eligible subgrantees for several emergency preparedness grants, but federal guidance to states who distribute these grants did not clearly indicate this. Finally, although the service providers in our review took steps to increase coordination with each other, coordination and interaction with government agencies at all levels remain a challenge for organizations we visited. While local VOADs in the areas we visited helped voluntary organizations coordinate with each other and local government agencies, the ability of these VOADs to effectively work with government agencies varied. For the Red Cross, it is too soon to tell how its recent staffing cuts and other changes will affect its ability to coordinate with FEMA and state governments during disasters.

Background

State and local governments generally have the principal responsibility for meeting mass care and other needs in responding to a disaster; however, governments largely carry out this responsibility by relying on the services provided by voluntary organizations. Voluntary organizations provide sheltering, feeding, and other services, such as case management, to disaster victims and have long supported local, state, and federal government responses to disasters.

Voluntary Organizations in Disasters

Voluntary organizations have historically played a critical role in providing services to disaster victims, both on a routine basis—in response to house fires and local flooding, for example—and in response to far rarer

disasters such as devastating hurricanes or earthquakes.[2] Their assistance can vary from providing immediate services to being involved in long-term recovery efforts, including fund-raising. Some are equipped to arrive at a disaster scene and provide immediate mass care, such as food, shelter, and clothing. Other charities address short-term needs, such as providing case management services to help disaster victims obtain unemployment or medical benefits. Other voluntary organizations provide long-term disaster assistance such as job training or temporary housing assistance for low-income families. In addition, local organizations that do not typically provide disaster services may step in to address specific needs, as occurred when churches and other community organizations began providing sheltering after the Gulf Coast hurricanes.

The American Red Cross, a nongovernmental organization founded in 1881, is the largest of the nation's mass care service providers. Operating under a congressional charter since 1900, the Red Cross provides volunteer humanitarian assistance to the armed forces, serves as a medium of communication between the people of the United States and the armed forces, and provides direct services to disaster victims, including feeding, sheltering, financial assistance, and emergency first aid.[3]

An additional key player in the voluntary sector is NVOAD, an umbrella organization of nonprofits that are considered national in their scope. Established in 1970, NVOAD is not itself a service delivery organization but rather coordinates planning efforts by many voluntary organizations responding to disaster, including the five organizations in this review. In addition to its 49 member organizations, NVOAD also coordinates with chartered state Voluntary Organizations Active in Disaster (VOAD) and their local affiliates.

[2]Voluntary organizations—also called charities—are organizations established to address the needs of the poor or distressed and other social welfare issues and represent a substantial presence in American society. Federal, state, and private agencies monitor how well voluntary organizations are meeting these needs. At the federal level, the Internal Revenue Code Section 501(c) establishes categories of tax-exempt organizations and recognizes charitable organizations, among others, for this purpose. See also GAO, *September 11: More Effective Collaboration Could Enhance Charitable Organizations' Contributions in Disasters*, GAO-03-259 (Washington, D.C.: Dec. 19, 2002).

[3]Congress repealed the Red Cross's 1900 charter and adopted a new charter in 1905, which has been amended several times.

The occurrence in 2005 of Hurricanes Katrina and Rita revealed many weaknesses in the federal disaster response that were subsequently enumerated by numerous public and private agencies—including the GAO, the White House, and the American Red Cross. These weaknesses included a lack of clarity in roles and responsibilities among and between voluntary organizations and FEMA and a need for the government to include voluntary organizations in national and local disaster planning. According to several post-Katrina reports, the contributions of voluntary organizations, especially faith-based groups, had not been effectively integrated into the earlier federal plan for disaster response—the 2004 National Response Plan. These reports called for better coordination among government agencies and voluntary organizations through cooperative relationships and joint planning and exercises.

National Approach to Disaster Response

Under the Homeland Security Act, which President Bush signed in 2002, as amended by the Post-Katrina Emergency Management Reform Act of 2006 (Post-Katrina Act),[4] FEMA has been charged with responsibility for leading and supporting a national, risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation. In support of this mission, FEMA is required to partner with the private sector and nongovernmental organizations, as well as state, local, tribal governments, emergency responders, and other federal agencies. Under the act, FEMA is specifically directed, among other things, to

- build a comprehensive national incident management system;
- consolidate existing federal government emergency response plans into a single, coordinated national response plan;
- administer and ensure the implementation of that plan, including coordinating and ensuring the readiness of each emergency support function under the plan; and
- update a national preparedness goal and develop a national preparedness system to enable the nation to meet that goal.

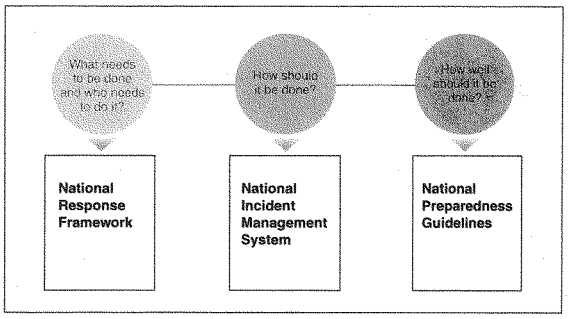
As part of its preparedness responsibilities, FEMA is required to develop guidelines to define risk-based target capabilities for federal, state, local,

[4]Pub. L. No. 107-296, as amended by Pub. L. No. 109-295.

and tribal preparedness and establish a comprehensive assessment system to assess, on an ongoing basis, the nation's prevention capabilities and overall preparedness. FEMA is also required to submit annual reports which describe, among other things, the results of the comprehensive assessment and state and local catastrophic incident preparedness. FEMA may also use planning scenarios to reflect the relative risk requirements presented by all kinds of hazards. As we noted in previous reports and testimony, the preparation for a large-scale disaster requires an overall national preparedness effort designed to integrate what needs to be done (roles and responsibilities), how it should be done, and how well it should be done.[5] The principal national documents designed to address each of these questions are the *National Response Framework*, the *National Incident Management System*, and the *National Preparedness Guidelines*. A core tenet of these documents is that governments at all levels, the private sector, and nongovernmental organizations, such as the Red Cross and other voluntary organizations, coordinate during disasters that require federal intervention. (See fig. 1.)

[5]See for example GAO, *Homeland Security: Observations on DHS and FEMA Efforts to Prepare for and Respond to Major and Catastrophic Disasters and Address Related Recommendations and Legislation*, GAO-07-1142T (Washington, D.C. : July 31, 2007).

Figure 1: Federal Framework for National Response to Large-Scale Disasters

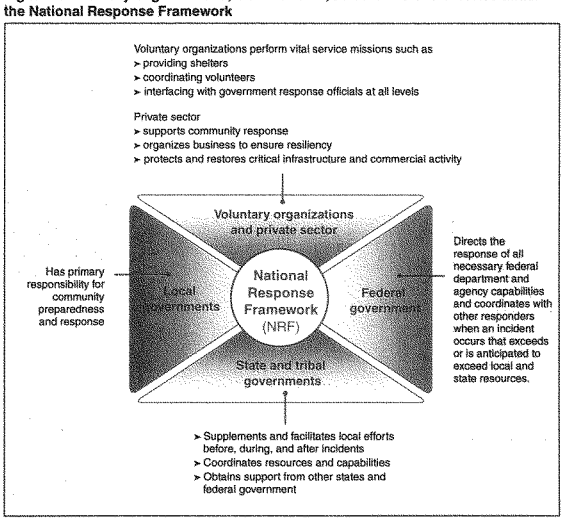


Source: GAO analysis.

National Response Framework

DHS's National Response Framework, which became effective in March 2008, delineates roles for federal, state, local, and tribal governments; the private sector; and voluntary organizations in responding to disasters. The new framework revises the National Response Plan, which was originally signed by major federal government agencies, the Red Cross, and NVOAD in 2004. Under the National Response Framework, voluntary organizations are expected to contribute to these response efforts through partnerships at each level of government. In addition, FEMA, in conjunction with its voluntary agency liaisons, acts as the interface between these organizations and the federal government. (See fig. 2.)

Figure 2: Voluntary Organizations, Governments, and Private Sector Roles under the National Response Framework



Source: GAO analysis.

The Framework also creates a flexible and scalable[6] coordinating structure for mobilizing national resources in a large-scale disaster. Under the Framework, local jurisdictions and states have lead responsibility for

[6]A scalable response refers to one that is adaptable to change in size, scope, and complexity, with resources from all levels of government, appropriately scaled to need, according to the Framework.

responding to a disaster and can request additional support from the federal government as needed.[7]

In addition, for catastrophic incidents that almost immediately overwhelm local and state resources and result in extraordinary levels of mass casualties or damage, the Framework—through its Catastrophic Incident Supplement—specifies the conditions under which the federal government can proactively accelerate the national response to such disasters without waiting for formal requests from state governments.[8] The Supplement was published in 2006 after Hurricane Katrina.[9]

Sheltering, Feeding, and Other Human Services under the ESF-6 in the National Framework

The National Framework organizes the specific needs that arise in disaster response into 15 emergency support functions, or ESFs. Each ESF comprises a coordinator, a primary agency, and support agencies—usually governmental agencies—that plan and support response activities. Typically, support agencies have expertise in the respective function, such

[7]The primary authority under which the federal government provides assistance to states after a disaster is the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5201. Under the act, the President may issue a major disaster or emergency declaration when a governor, whose state resources are overwhelmed, requests federal assistance. The Post-Katrina Act amended the Stafford Act so that the President could provide accelerated federal assistance and support without a governor's request where necessary to save lives, prevent human suffering, or mitigate severe damage. Pub. L. No. 109-295, § 681. Under the Stafford Act, FEMA provides assistance for mass care, debris removal, restoration of facilities, and financial aid to families and individuals, among other activities. The Stafford Act also specifies that in providing relief and assistance, FEMA may use—with consent—the personnel and facilities of voluntary disaster relief organizations in distributing food, supplies, or other items, among other things.

[8]Catastrophic incidents are defined differently from major disasters. Under the Stafford Act, a major disaster is defined as "any natural catastrophe....or regardless of cause, any fire, flood, or explosion in any part of the United States." 5 U.S.C. § 5122(2). The Post-Katrina Act added a definition of catastrophic incident as "any natural disaster, act of terrorism, or other man-made disaster that results in extraordinary levels of casualties or damage or disruption, severely affecting the population (including mass evacuations), infrastructure, environment, economy, national morale, or government functions in an area." Pub. L. No. 109-295, § 602(4). The 2008 National Response Framework contains the same definition of a catastrophic incident. In this report, we also use the term "catastrophic disaster" or "catastrophic event" to refer more generally to large-scale disasters of great magnitude that may or may not meet the definition of a catastrophic incident.

[9]The 2005 draft version of the Catastrophic Incident Supplement had not yet been fully adopted when Hurricane Katrina occurred and was not invoked at the time to guide the federal response to the disaster.

as in mass care, transportation, communication, or firefighting.[10] In a disaster, FEMA is responsible for activating the ESF working groups of key federal agencies and other designated organizations that are needed.

For the voluntary organizations in our review, Emergency Support Function 6 (ESF-6) is important because it outlines the organizational structure used to provide mass care and related services in a disaster. These services are

- mass care (e.g., sheltering, feeding, and bulk distribution of emergency relief items),
- emergency assistance (e.g. evacuation, safety, and well-being of pets),
- disaster housing (e.g., roof repair, rental assistance), and
- human services (e.g., crisis counseling, individual case management).

Under ESF-6, FEMA is designated as the primary federal agency responsible for coordinating and leading the federal response for mass care and related human services, in close coordination with states and others such as voluntary organizations—a role change made in 2008 in response to issues that arose during Katrina. FEMA carries out this responsibility by convening federal ESF-6 support agencies during disasters and coordinating with states to augment their mass care capabilities as needed. Under ESF-6, the Red Cross and NVOAD are each named as support agencies to FEMA, along with numerous federal departments, such as the Department of Health and Human Services. FEMA's voluntary agency liaisons, located in FEMA regions, are largely responsible for carrying out these coordinating duties with voluntary organizations.

[10]Support agencies are assigned based on their authorities, resources, and capabilities in a given functional area, according to the National Framework. State governments often operate response structures with similar emergency support functions.

Voluntary Organizations Are a Major Source of Mass Care and Other Services in Disasters and Have Significant Support Roles under the National Response Framework

As private service providers fulfilling their humanitarian missions, the voluntary organizations in our review have historically served as significant sources of mass care and other services in large-scale disasters and play key roles in national response—in coordination with local, state, and federal governments—under the National Response Framework. While their response structures differ in key ways—with some having more centralized operations than others, for example—these voluntary organizations coordinate their services through formal written agreements and through informal working relationships with other organizations. In recognition of their long-standing leadership in providing services to disaster victims, these organizations, especially the American Red Cross and NVOAD, have considerable roles in supporting FEMA under the nation's National Response Framework. While this new Framework shifted the Red Cross from a primary agency for mass care to a support agency, largely because the Red Cross cannot direct federal resources, the 2006 Catastrophic Incident Supplement has not been updated to reflect this change. FEMA does not currently have a timetable for revising the Supplement, as required under the Post-Katrina Act, and while FEMA and Red Cross officials told us that they have a mutual understanding of the Red Cross's role as a support agency in a catastrophic disaster, this understanding is not currently documented.

While the Voluntary Organizations Differ in Key Ways, They Have Traditionally Been Major Providers of Mass Care and Other Services

While the major national voluntary organizations in our review differ in their types of services and response structures, they have all played important roles in providing mass care and other services, some for over a century. According to government officials and reports on the response to Katrina, the Red Cross and the other voluntary organizations we reviewed are a major source of mass care and other disaster services, as was evident in the response to Hurricane Katrina.[11]

Types and Focus of Disaster Services Vary Among the Voluntary Organizations

The five voluntary organizations we reviewed differ in the extent to which they focus on providing disaster services and in the types of services they provide. Four of the five organizations directly provide a variety of mass

[11]Other sources of these services include the private sector, through contracts with various levels of government, and government agencies and employees at local, state, and federal levels. In addition, other voluntary organizations that are outside the scope of this report, such as America's Second Harvest, also provide services. America's Second Harvest is a charitable hunger relief organization, comprising a network of more than 200 member food banks and food rescue organizations across the nation.

care and other services, such as feeding and case management, while the fifth—the United Way—focuses on fund-raising for other organizations. As the nation's largest disaster response organization, the Red Cross is the only one of the five in our review the core mission of which is to provide disaster response services.[12] In providing its services, the Red Cross typically coordinates with state and local governments to support their response and has formal agreements with state or local emergency management agencies to provide mass care and other disaster services. For example, the Red Cross serves as a support agency in the Washington, D.C., disaster response plan for mass care, feeding, and donations and volunteer management. In contrast to the Red Cross, The Salvation Army, the Southern Baptist Convention, and Catholic Charities are faith-based organizations that provide varying types and degrees of disaster services – some for decades—as an extension of their social and community service missions.[13] The United Way raises funds for other charities and provides resources to local United Way operations, but does not directly provide services to survivors in response to disasters. (See table 1.)

Table 1: Disaster-Related Services Provided by the Five Voluntary Organizations In Our Review

Organization	Mass care services provided	Human services provided	Other disaster-related services provided
American Red Cross	• sheltering • feeding • emergency first aid • bulk distribution of emergency items • collection and provision of information on disaster victims to family members	• health and mental services • emergency financial assistance	• blood services

[12]According to the Red Cross's mission statement, the Red Cross will provide relief to victims of disaster and help people prevent, prepare for, and respond to emergencies.

[13]For example, Catholic Charities' mission—exercising leadership in assisting its membership in their mission of service, advocacy, and convening—does not refer to disaster response or relief, and the organization has become more active in disaster response since 1990. In contrast, The Salvation Army has provided emergency services to individuals and communities since its first charter was enacted in the United States in 1899, and the first major U.S. disaster that The Salvation Army responded to was in 1900 in response to the Galveston, Texas, hurricane, while the Southern Baptist Convention began its disaster work in 1967.

Organization	Mass care services provided	Human services provided	Other disaster-related services provided
The Salvation Army	• feeding • sheltering • bulk distribution of emergency items	• disaster social services	• spiritual and emotional care • cleanup and restoration services • donations management • missing persons services • medical assistance
Southern Baptist Convention	• feeding	Not applicable	• chainsaw crews who clear trees and other obstructions following a disaster • child care • showering units for volunteers and victims • chaplaincy and counseling • "mud out" operations in which volunteers assist in removal of debris from buildings following a flood • temporary repairs • bilingual services
Catholic Charities USA	• Not applicable	• individual and family case management, which may include mortgage or rent assistance, home repair assistance, and transportation • referrals to other organizations for benefits • medical and cash assistance • disaster crisis counseling	• temporary housing
United Way of America	Not applicable	Not applicable	• fund-raising for other disaster service providers • participates in local committees to address unmet needs • sponsors information and referral system (2-1-1 Hotline)[a] • helps coordinate unaffiliated or spontaneous volunteers

Source: Data provided by charities.

Note: In this table, the terms "mass care" and "human services" characterize types of services in line with these terms as used in the federal Emergency Support Function-6 under the National Response Framework.

[a]The number 2-1-1 is a telephone number that, where available, connects people with community and human services and volunteer opportunities (e.g., food banks, shelters, counseling, child-care). Its implementation is being spearheaded by the United Way and information and referral agencies in states and local communities. As of June 2007, 2-1-1 coverage serves approximately 198 million Americans, or about 65 percent of the United States population, according to the United Way.

While voluntary organizations have traditionally played an important role in large-scale disasters, their role in response to Hurricane Katrina, the largest natural disaster in U.S. history, was even more significant,[14] especially for the three mass care service providers in our study—the Red Cross, The Salvation Army, and the Southern Baptist Convention. For example, after Katrina, the Red Cross provided more than 52.6 million meals and snacks and opened more than 1,300 shelters across 27 states, while the Southern Baptist Convention provided more than 14.6 million meals and The Salvation Army provided 3.8 million articles of clothing. While Catholic Charities USA and its affiliates do not generally provide mass care services, during Katrina it assisted with feeding by donating food. (See table 2.)

Table 2: Disaster Services Provided during and after the Gulf Coast Hurricanes

Organization	Sheltered	Meals provided	Money raised	Volunteers
American Red Cross	3.4 million overnight stays[a]	52.6 million meals and snacks	$2.1 billion	Volunteers: 245,000
The Salvation Army	91,400 lodging spaces provided	7.7 million meals and snacks	$365 million[b]	Volunteer hours served: 506,443
Southern Baptist Convention	Not applicable	14.6 million meals	$20 million[c]	Volunteer days: 165,748
Catholic Charities USA	Not applicable	51 million pounds of food provided	$150 million	More than 110 Catholic Charities dioceses responded during Katrina
United Way of America	Not applicable	Not applicable	$28 million	Not applicable

Source: Data provided by charities.

Note: Since voluntary organizations report these data differently, the data are not necessarily comparable.

[a]Overnight stays provided by the Red Cross from August to December 2006.

[b]Money raised by the Red Cross as of May 2006.

[c]Money raised by The Salvation Army as of February 2006.

Voluntary Organizations' Response Structures Differ

The four direct service providers in our study—the Red Cross, The Salvation Army, the Southern Baptist Convention, and Catholic

[14]The role of voluntary organizations was particularly important in Katrina because state and local resources were overwhelmed and the Interagency Incident Management Group, within the Department of Homeland Security, was not activated until roughly 36 hours after Katrina made landfall.

Charities[16]—each have distinct disaster response structures, with their national offices having different levels of authority over the organization's affiliates and resources, reflecting a continuum from more centralized operations, such as the Red Cross, to more decentralized operations, such as Catholic Charities USA. For example, in a large-scale disaster, the national office of the Red Cross directly sends headquarters-based trained staff, volunteers, and equipment to the affected disaster site, while Catholic Charities USA's disaster response office provides technical assistance to the affected member dioceses but does not direct resources. (See table 3.) Similarly, to facilitate its ability to direct a nationwide response from headquarters, the Red Cross has a national headquarters and service area staff of about 1,600 as of May 2008, maintains a 24/7 disaster operations center at its headquarters, and has a specially trained cadre of over 71,000 volunteers who are nationally deployable, according to the Red Cross. In contrast, the Southern Baptist Convention and Catholic Charities each have 1 or 2 staff at their national offices who are responsible for disaster response coordination for their organizations. These differences in the national offices' roles within the voluntary organizations means that when voluntary organizations respond to disasters of increasing magnitude by "ramping up"—a process similar to the scalable response described in the National Response Framework—they do so in different ways and to different extents.

Table 3: Voluntary Organizations' National Office Disaster Response Functions in Large-Scale Disasters

	Directs response	Provides personnel and equipment	Coordinates personnel and equipment	Provides technical assistance
American Red Cross	X	X	X	X
The Salvation Army			X	X
Southern Baptist Convention			X	
Catholic Charities USA				X

Source: GAO analysis of voluntary organization data.

[16]For the purposes of this report, we are focusing on the four organizations in our review that provide direct services in disasters, especially mass care; consequently, unless otherwise noted, the United Way will not be included in general statements about the voluntary organizations.

While the voluntary organizations in our review coordinate with one another and with the government, their disaster response structures are not necessarily congruent with the response structures of other voluntary organizations or aligned geographically or jurisdictionally with those of government. In essence, the voluntary organizations' response structures do not necessarily correspond to the local, state, and federal structures of response—as described in the National Framework. For example, The Salvation Army and Catholic Charities are not aligned geographically with states, while the Southern Baptist Convention is aligned roughly along state lines, called state conventions, and the Red Cross's organizational structure supports regional chapter groupings, which are also aligned generally by state. Furthermore, while the Red Cross and The Salvation Army have regional or larger territorial units, these are not necessarily congruent with FEMA's 10 regions. (See table 4).

Table 4: Voluntary Organizations' Regional and Local Response Structures

Regional level

- American Red Cross—has four regions, each comprising between four and eight disaster offices.
- The Salvation Army—has four territorial offices that coordinate regional disaster response through 40 divisions. Each division can encompass one or more states depending on density and population.
- Southern Baptist Convention—does not have a regional level. Neighboring state conventions coordinate as needed, but each is independent.
- Catholic Charities USA—does not have a regional level.

Local level

- American Red Cross—has 733 local chapters.
- The Salvation Army—has local command centers located in communities that report to the divisions.
- Southern Baptist Convention—has 42 autonomous state conventions organized loosely according to state boundaries.
- Catholic Charities USA—has 180 member dioceses, each owned and operated independently.

Source: Data provided by charities.

In a similar vein, these service providers do not necessarily follow the command and control structure typical of the federal incident command system set forth in the National Incident Management System (NIMS) for

unifying disaster response.[16] These organizations vary in the extent to which they have adopted this command system, according to officials we spoke with. For example, organization officials told us that the Red Cross, The Salvation Army, and the Southern Baptist Convention use this command system, while Catholic Charities does not.

Mutual Aid Agreements and Informal Working Relationships Link the Organizations to One Another

The voluntary organizations in our review coordinate and enhance their service delivery through formal written agreements at the national level. While not all of the voluntary organizations have such agreements with each other, the Red Cross maintains mutual aid agreements with the national offices of The Salvation Army, the Southern Baptist Convention, and Catholic Charities USA, as well as 39 other organizations with responsibilities under ESF-6. For example, under a 2000 agreement between the Red Cross and the Southern Baptist Convention, a feeding unit addendum describes operations and financial responsibilities when the two organizations provide mass feeding services cooperatively. According to Southern Baptist Convention officials, the general premise of this agreement is that the Convention will prepare meals in its mobile feeding units, while the Red Cross will distribute these meals using its emergency response vehicles.

According to many of the voluntary organization officials we interviewed, another essential ingredient for response is to have active, informal working relationships with leaders of other organizations that are well established before disasters strike. These relationships are especially important when organizations do not have formal written agreements[17] or when the agreements do not necessarily represent the current relationship

[16]NIMS provides a standardized structure for command during disasters. The incident command system is able to be applied in a variety of settings as a management system that is intended to assist in making incident management more effective. The system accomplishes this through an integration of facilities, equipment, personnel, procedures, and communications that operate within one organizational structure. While voluntary organizations are not required to adopt this incident command structure, FEMA encourages voluntary organizations to adhere to NIMS procedures and terminology to help facilitate their integration into government preparedness and response efforts.

[17]As we previously reported, voluntary organizations can better assist those in need of disaster assistance through coordination and collaboration, as well as understanding each other's roles and responsibilities. This requires effective working relationships with frequent contacts. Collaborative working relationships are essential building blocks of strategies that ease access to disaster assistance. GAO-03-259.

between two organizations.[18] Regular local VOAD meetings and joint training exercises with local and state governments facilitate these working relationships by providing an opportunity for relationship building and informal communication. For example, a Florida catastrophic planning exercise in 2006-2007 brought together 300 emergency management professionals and members of the Florida VOAD to develop plans for two types of catastrophic scenarios. According to disaster officials, relationships built through this type of interaction allow participants to establish connections that can be drawn upon during a disaster.

The ESF-6 under the National Framework Recognizes the Important Role of the Red Cross and NVOAD Members in Disasters

The National Response Plan that was instituted after September 11, and the 2008 National Response Framework, which superseded it, both recognized the key role of the Red Cross and NVOAD member organizations in providing mass care and other services by giving the Red Cross and NVOAD responsibilities under the ESF-6 section of the Framework.

The Red Cross Role

The 2008 National Response Framework, which revised the National Response Plan, clarified some aspects of the Red Cross's role that had been problematic during the Katrina response. Under the 2008 ESF-6 section of the Framework, the Red Cross has a unique federally designated role as a support agency to FEMA for mass care. As noted in our recent report, the Red Cross was previously designated as the primary agency for mass care under ESF-6 in the 2004 National Response Plan, but the Red Cross's role was changed under the 2008 Framework to that of a support agency.[19] This role change was made in large part because FEMA and the Red Cross agreed—in response to issues that arose during Katrina—that

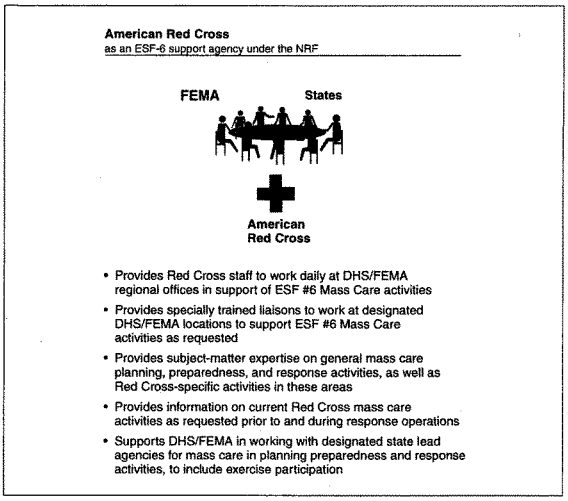
[18]Some of the organizations in our review maintain formal written agreements that predate September 11, Hurricane Katrina, and the development of the NRF. For example, the written agreement between the Red Cross and Catholic Charities was created in 1991 and the agreement between the Red Cross and The Salvation Army was established in 1994. These agreements confirm long-term relationships between the organizations, but do not necessarily reflect their current working relationships, according to officials we spoke with.

[19]GAO, *National Disaster Response: FEMA Should Take Action to Improve Capacity and Coordination between Government and Voluntary Sectors*, GAO-08-369 (Washington, D.C: Feb. 27, 2008).

the primary agency responsible for coordinating mass care nationwide needs to be able to direct federal resources.

As a support agency under ESF-6, the Red Cross helps FEMA and the states coordinate mass care activities in disasters. In particular the Red Cross is charged with providing staff and specially trained liaisons to work at FEMA's regional offices and other locations, and providing subject matter expertise on mass care planning, preparedness, and response. In addition, the Red Cross is expected to take the lead in promoting cooperation and coordination among government and national voluntary organizations that provide mass care during a disaster, although it does not direct other voluntary organizations in this role. (See fig. 3.) ESF-6 also acknowledges the Red Cross's separate role as the nation's largest mass care service provider, which is distinct from its role under the Framework. When providing mass care services, the Red Cross acts on its own behalf and not on behalf of the federal government, according to the ESF-6.

Figure 3: Red Cross Role under the National Response Framework



Source: GAO analysis; images, Art Explosion.

In recent months, the Red Cross has reported a significant budget deficit that has led it to substantially reduce its staff, including those assigned to FEMA and its regional offices, and to seek federal funding for its ESF-6 responsibilities—a major policy shift for the organization. According to Red Cross officials, the Red Cross has experienced major declines in revenues in recent years, and the organization reported a projected operating budget deficit, for fiscal year 2008, of about $150 million. To address this shortfall, in early 2008 the Red Cross reduced the number of its staff by about 1,000, with most of these staffing cuts made at its national headquarters and in service areas, in departments that support all Red Cross functions, such as information technology, human resources, and communications. These cuts included eliminating its full-time staff at FEMA's 10 regional offices and reducing staff that supported state emergency management agencies from 14 to 5. While it is too soon to tell

the impact of these changes, Red Cross officials we spoke with told us these staffing cutbacks will not affect its ability to provide mass care services. For example, several positions were also added to its Disaster Services unit to support local chapters' service delivery, according to Red Cross data, including area directors and state disaster officers—a new position at the Red Cross. However, with regard to its ESF-6 responsibilities, Red Cross officials also said that while the organization will continue to fulfill its ESF-6 responsibilities, it is changing the way it staffs FEMA's regional offices during disasters by assigning these responsibilities, among others, to state disaster officers and using trained volunteers to assist in this role. According to the Red Cross, its costs for employing a full-time staff person in each FEMA regional office and for staffing its headquarters to support federal agencies during disasters is $7 million annually, for an operation that the Red Cross says is no longer sustainable. Consequently, in May 2008 testimony before the Senate Committee on Homeland Security and Governmental Affairs, the Red Cross requested that Congress authorize and appropriate funding to cover these positions and responsibilities under the ESF-6.[20] In addition, the Red Cross requested $3 million to assist it in funding its role of integrating the mass care services provided by the nongovernmental sector, for a total of $10 million requested.

Role of NVOAD and Its Members

In addition to the Red Cross, NVOAD is also designated as a support agency under the 2008 ESF-6 section of the Framework, as it was in the previous national plan. In its role as a support agency for mass care, NVOAD is expected to serve as a forum enabling its member organizations to share information, knowledge, and resources throughout a disaster; it is also expected to send representatives to FEMA's national response center to represent the voluntary organizations and assist in disaster coordination. A new element in the 2008 ESF-6 is that voluntary organizations that are members of NVOAD are also specifically cited in ESF-6 under NVOAD, along with descriptions of their services or functions in disaster response. According to NVOAD and FEMA officials, listing the individual NVOAD members and their services in the ESF-6 does not change organizations' expected roles or create any governmental obligations for these organizations to respond in disasters, but rather

[20]Testimony of Joseph Becker, Senior Vice President, Disaster Services, American National Red Cross, May 15, 2008, before the Senate Committee on Homeland Security and Governmental Affairs.

recognizes that NVOAD represents significant resources available through the membership of the voluntary organizations.

Under the Catastrophic Incident Supplement, the Red Cross Is Still Described as the Lead Agency for Mass Care, Which Is Inconsistent with Changes Made to ESF-6

While the Red Cross's role for ESF-6 has been changed from that of a primary agency under the National Response Plan to that of a support agency under the new Framework, the Catastrophic Incident Supplement still reflects its earlier role, requiring the Red Cross to direct federal mass care resources. The Supplement provides the specific operational framework for responding to a catastrophic incident, in accordance with federal strategy. When the Supplement was issued, in 2006, the Red Cross was the primary agency for coordinating federal mass care assistance and support for the mass care section of ESF-6 under the National Response Plan.[21] As previously mentioned, in January 2008 the Red Cross's role under ESF-6 changed from that of a primary agency to that of a support agency, partly because the Red Cross lacks the authority to direct federal resources. The Supplement has not yet been updated to reflect this recent change in the Red Cross's role. However, FEMA and Red Cross officials agreed that in a catastrophic incident, the Red Cross would serve as a support agency for mass care—not as the lead agency—and therefore would not be responsible for directing federal resources. According to FEMA, in a catastrophic incident, the management, control, dispensation, and coordination of federal resources will change, shifting this responsibility from the Red Cross to FEMA, so as to be consistent with the National Response Framework and the ESF-6.

In addition to describing its ESF-6 support agency responsibilities in a catastrophic disaster, the Supplement lays out the mass care services the Red Cross would provide in a catastrophic disaster—acting as a private organization—and FEMA and Red Cross officials agreed that the Red Cross would continue to provide these services as part of its private mission, regardless of the change to its role in the ESF-6 or any future revisions to the Supplement. The Red Cross's services and actions as a private service provider are integrated into the Supplement for responding to catastrophic disasters. In an event of catastrophic magnitude, the Red Cross is expected to directly provide mass care services to disaster victims, such as meals and immediate sheltering services to people who

[21]The 2006 Catastrophic Incident Supplement was a supplement to the 2004 National Response Plan for catastrophic incidents. The Supplement remains in effect under the 2008 National Response Framework.

are denied access to their homes. The Supplement also includes the Red Cross in a schedule of actions that agencies are expected to automatically take in response to a no-notice disaster, such as a terrorist attack or devastating earthquake. For example, within 2 hours after the Supplement is implemented, the Red Cross is expected to inventory shelter space in a 250-mile radius of the disaster using the National Shelter System, dispatch specially trained staff to assess needs and initiate the Red Cross's national response, coordinate with its national voluntary organization partners to provide personnel and equipment, and deploy Red Cross kitchens and other mobile feeding units. However, according to the ESF-6, in providing these mass care services, the Red Cross is acting on its own behalf and not on the behalf of the federal government or other governmental entity, and the Supplement similarly states that the Red Cross independently provides mass care services as part of its broad program of disaster relief. According to Red Cross officials, if the Supplement were implemented, the Red Cross would continue providing the same mass care services that it has always provided as a private organization. FEMA officials agreed that its expectations of the services the Red Cross would provide in a catastrophic event have not changed, and that its role as a service provider has not been affected by the changes to the ESF-6. According to FEMA, FEMA will augment the Red Cross's resources in a catastrophic disaster, and the two organizations are working together to develop a memorandum of agreement to ensure that the Red Cross is provided with adequate federal support for logistics, human resources, and travel in a catastrophic event.

Although FEMA is charged with revising the Supplement under the Post-Katrina Reform Act,[22] agency officials told us that the agency does not currently have a time frame for updating the Supplement and does not have an interim agreement documenting FEMA's and the Red Cross's understanding of the Red Cross's role as a support agency under the Supplement. FEMA officials told us that the agency was revising the 2004 Catastrophic Incident Annex—a brief document that establishes the overarching strategy for a national response to this type of incident—but that it does not yet have a time frame for updating the more detailed Supplement, which provides the framework for implementing this strategy, although the agency told us that it is in the process of establishing a review timeline. According to FEMA, future revisions to the Supplement will shift responsibility for directing federal mass care

[22]Pub.L. No. 109-295, §611(13).

resources from the Red Cross to FEMA, in order to remain consistent with the National Response Framework and ESF-6. Furthermore, FEMA and the Red Cross told us that they have a mutual understanding of the Red Cross's role as a support agency in a catastrophic disaster. However, this understanding is not currently documented. As the experience in responding to Hurricane Katrina demonstrated, it is important to have a clear agreement on roles and responsibilities. Crafting such agreements in writing ahead of time—before the need to respond to a catastrophic event—would help clarify potentially unknown sources of misunderstanding and communicate this understanding not just to FEMA and the Red Cross, but also to FEMA's many support agencies for ESF-6 and the Red Cross's partner organizations in the voluntary sector. There is also precedent for having an interim agreement on changed roles: In 2007, while the National Response Plan was being revised, FEMA and the Red Cross developed an interim agreement on roles and responsibilities that set forth the Red Cross's shift from primary to support agency.

Voluntary Organizations Have Taken Steps to Expand Coverage and Strengthen Their Service Delivery Structures

In response to weaknesses in service delivery that became evident during Hurricane Katrina, the American Red Cross, The Salvation Army, the Southern Baptist Convention, and Catholic Charities have acted to expand their service coverage and strengthen key aspects of their structures. The Red Cross has reorganized its chapters and established new partnerships with local community and faith-based organizations, particularly in rural areas with hard-to-reach populations. While Red Cross officials did not expect these improvements to be undermined by the organization's budget deficit, the effect of recent staff reductions at headquarters and elsewhere remains to be seen. Meanwhile, all four organizations, to varying degrees, have made changes to strengthen their ability to coordinate services by collaborating more on feeding and case management and improving their logistical and communications systems.

The Red Cross Is Taking Steps to Expand Service Coverage by Reorganizing Its Response Structure

In recognition of the fact that its service coverage had been inadequate during the 2005 Gulf Coast hurricanes,[23] the Red Cross subsequently reorganized its service delivery structure and initiated or strengthened partnerships with local community organizations—a process that is still ongoing. During Katrina, when approximately 770,000 people were displaced, the Red Cross was widely viewed as not being prepared to meet the disaster's unprecedented sheltering needs, in part because some areas—particularly rural areas—lacked local chapters or were not offering services; furthermore, the Red Cross had weak relationships with faith-based and other community groups that stepped in during this crisis to assist disaster victims. To address these problems, the Red Cross is implementing two main initiatives:

First, to expand and strengthen its service delivery, including its capacity to respond to catastrophic disasters, the Red Cross is reorganizing its field structure by

- **Establishing a more flexible approach to service delivery** to accommodate varying needs of diverse communities within the same jurisdiction. According to the Red Cross, the jurisdiction of many chapters consisted of urban, suburban, and rural counties. Previously, chapter services were based on an urban model, but this one-size-fits-all approach, according to the Red Cross, did not well suit the needs and capacities of suburban and rural areas. The Red Cross now differentiates among three service levels, and each chapter can match service levels to the communities within its jurisdiction according to the community's population density and vulnerability to disasters.[24] As part of this differentiated approach, the chapters also use a mix of methods for providing services—from teams of disaster-trained volunteers to toll-free numbers and the Internet to formal partnerships—depending on the service level needed.

[23]See the American Red Cross's self-assessment: From Challenge to Action: American Red Cross Actions To Improve and Enhance its Disaster Response And Related Capabilities For the 2006 Hurricane Season and Beyond: (Washington, D.C.: June 2006).

[24]The different service levels are for (a) large metropolitan centers with substantial disaster vulnerability, (b) areas with medium population densities with moderate vulnerability, and (c) rural areas and isolated communities with limited vulnerability. According to the Red Cross, chapters will identify a service delivery plan for rural and isolated areas. In some isolated, remote areas, for example, Red Cross services may be offered by means of a partnership with a local volunteer fire district and access to Internet and telephone support while in other areas, services may be offered through a trained disaster action team, health and safety providers, and occasional visits by Red Cross staff.

- **Realigning its regional chapter groupings**—each consisting of three to eight local chapters—to cover larger geographic areas, additional populations, and better support their local chapters. Regional chapters were established based on factors such as population density, total geographic area, and community economic indicators. According to the Red Cross, streamlining administrative back-office functions, such as human resources and financial reporting, through an organization-wide initiative to reduce duplication will free up chapter resources for service delivery. With this realignment, regional chapters now are expected to provide their local chapters with technical assistance, evaluate local chapters' overall service delivery capacity, and identify strategies to maximize service delivery, according to the Red Cross.

Second, the Red Cross is working to strengthen its local chapters' relationships with local faith- and community-based organizations so as to help better serve diverse and hard-to-reach populations. During Katrina, the Red Cross lacked such relationships in certain parts of the country, including hurricane-prone areas, and did not consistently serve the needs of many elderly, African-American, Latino, and Asian-American disaster victims and people with disabilities. To remedy this, the Red Cross initiated a new community partnership strategy under which local chapters identify key community organizations as possible disaster response partners and enter into agreements with them on resources to be provided, including reimbursements for costs associated with sheltering disaster victims. The partnership strategy's goals include improving service to specific communities by overcoming linguistic and cultural barriers; increasing the number of possible facilities for use as shelters, service centers, and warehouses; and enlisting the support of organizations that have relationships with the disabled community. According to Red Cross officials, local chapters around the country have initiated thousands of new partnerships with faith-based and local community organizations. However, because these partnerships are formed at the local chapter level, the national office does not track the exact number of new agreements signed, according to the Red Cross.

In addition, the Red Cross has also taken some actions to better address the mass care needs of disaster victims with disabilities—a particular concern during Katrina—although concerns still remain about the nation's overall preparations for mass care for people with disabilities. For example, the Red Cross developed a shelter intake form to help volunteers determine if a particular shelter can meet an individual's needs as well as new training programs for staff and volunteers that specifically focus on

serving the disabled, as we previously reported.[25] It has also prepositioned items such as cots that can be used in conjunction with wheelchairs in warehouses to improve accessibility to shelters. However, as we reported in February 2008, Red Cross headquarters officials told us that some local chapters were not fully prepared to serve people with disabilities and that it was difficult to encourage local chapters to implement accessibility policies. In the report we also noted that FEMA had hired a disability coordinator to improve mass care services for the disabled, but it had not yet coordinated with the National Council on Disability, as required under the Post-Katrina Act. More specifically, we recommended that FEMA develop a set of measurable action steps, in consultation with the disability council, for coordinating with the council. According to the National Disability Council, while FEMA and the council have met on several occasions to discuss their joint responsibilities under the Post-Katrina Act, FEMA has not yet developed action steps for coordination in consultation with the council. FEMA officials told us they are preparing an update for us on their response to the recommendation.

Although the Red Cross recently significantly reduced its staffing levels, the staffing cutbacks were designed to uphold the organization's delivery of disaster services, according to the Red Cross. Red Cross national officials told us that overall, these and other staffing cuts were designed to leave service delivery intact and that the Red Cross plans to maintain the reorganization of its chapter and service level structure as well as its community partnership initiative. However, since these changes are so recent, it remains to be seen how or whether the cuts and realignment of responsibilities will affect the organization's post-Katrina efforts to expand and strengthen its service delivery.

[25]See GAO-08-369.

To Improve Their Service Delivery Structures, the Red Cross and Other Organizations Increased Coordination and Strengthened Their Logistics and Communications Systems

On the basis of their experiences with large-scale disasters, including Katrina, the national offices, and to some extent the local offices, of the direct service providers in our study reported to varying degrees increasing coordination with each other. [26] In particular, they collaborated more on feeding operations and information sharing and made logistical and communications improvements to prevent future problems, according to organization officials.

Coordination on Provision of Services

With regard to mass care services, officials from the national offices of the Red Cross, The Salvation Army, and the Southern Baptist Convention—the three mass care providers in our review—reported increasing their collaboration on delivering mass feeding services. During Katrina, mass care services were duplicated in some locations and lacking in others, partly because voluntary organizations were unable to communicate and coordinate effectively. One reason for this confusion, according to the Southern Baptist Convention, was that many locally based volunteers were unaware that the national offices of the Red Cross and the Southern Baptist Convention had a mutual aid agreement to work with each other on feeding operations and as a result did not coordinate effectively. Since Katrina, the Southern Baptist Convention and the Red Cross have developed a plan to cross-train their kitchen volunteers and combine their core curricula for kitchen training. Similarly, The Salvation Army and the Southern Baptist Convention—who also collaborate on mass feeding services—created a joint training module that cross-trains Southern Baptist Convention volunteers to work in Salvation Army canteens and large Salvation Army mobile kitchens. The two organizations also agreed to continue liaison development.

In addition, the voluntary organizations in our study told us that they shared case management information on the services they provide to

[26] While the national offices of the Red Cross, The Salvation Army, the Southern Baptist Convention, Catholic Charities, and United Way made direct contributions to the Hurricane Katrina response and relief effort, in the four metropolitan areas we visited, the Katrina experiences of the voluntary organizations' local offices varied, such as sending their staff and volunteers to affected areas or providing evacuees with housing assistance and case management services in their own area. In addition, the local voluntary organizations we met with discussed their service delivery improvements based on their experiences during other large-scale disasters in their regions, such as the September 11 attacks in the New York and Washington, D.C., metro region or the 1994 Northridge, California, earthquake.

disaster survivors through the Coordinated Assistance Network (CAN)—which is a partnership among several national disaster relief nonprofit organizations.[27] After September 11, CAN developed a Web-based case management database system that allows participating organizations to reduce duplication of benefits by sharing data about clients and resources with each other following disasters. This system was used in Katrina and subsequent disasters. The Red Cross, The Salvation Army, and the United Way were among the seven original partners that developed and implemented CAN. According to officials from the Red Cross's national headquarters office, CAN has served as a tool for improving coordination and maintaining consistency across organizations and has also fostered collaboration at the national level among organization executives. An official from Catholic Charities USA told us it has seen a reduction in the duplication of services to clients since it began participating in CAN. Two of the local areas we visited participated in CAN—New York City and Washington, D.C.—and officials from some local voluntary organizations and VOADs in these two cities said they participate in CAN.[28] In New York City, Red Cross officials said CAN was used to support the Katrina victims who were evacuated to the area. Catholic Charities officials told us that following September 11, CAN helped ease the transition between the Red Cross's initial case management services and longer-term services provided by other organizations. In addition, an official from the local VOAD said using CAN is a best practice for the sector.

Coordination on the Logistics of Mass Care Supplies and Services

The three voluntary organizations that provide mass care services have taken steps to improve their supply chains by coordinating more with each other and FEMA to prevent the breakdown in logistics that had occurred during Hurricane Katrina, according to officials we spoke with. In

[27]After September 11, GAO recommended that FEMA convene a working group to encourage voluntary organizations involved in disaster response to integrate several lessons learned from the attacks, including easing access to aid for those eligible and enhancing coordination among charities and with FEMA. See GAO-03-259. Following our report, seven of the largest disaster response organizations— including the Red Cross, The Salvation Army, and the United Way—in partnership with FEMA, formed CAN to ease collaboration and facilitate data sharing.

[28]Currently, six communities nationwide participate as pilot communities that will lead to the development of new models of community readiness and response. The six pilot communities are the District of Columbia; San Francisco, California; New York City, New York; New Orleans, Louisiana; Oklahoma City, Oklahoma; and Seattle, Washington. In addition to pilot cities, CAN has the capacity to deploy throughout the United States for large-scale disasters and is available through a request process. According to an official from the Red Cross's national headquarters office, CAN is available all across the country and CAN partner organizations are encouraging their local affiliates to use it.

responding to Hurricane Katrina, the Red Cross, FEMA, and others experienced difficulties determining what resources were needed, what was available, and where resources were at any point in time, as we and others reported. Since then, the Red Cross and FEMA's logistics department have communicated and coordinated more on mass care capacity, such as the inventory and deployment of cots, blankets, and volunteers, according to national office Red Cross officials. The Red Cross also said the logistics departments of the Red Cross and FEMA meet regularly and that the two organizations are working on a formal agreement and systematically reviewing certain areas, such as sharing information on supplies and warehousing. In addition to the Red Cross, the Southern Baptist Convention and The Salvation Army made changes to improve their supply chain management systems. In Katrina, the Southern Baptist Convention experienced a breakdown in the system that prevented it from replenishing its depleted mobile kitchen stock, according to officials from the organization. While FEMA ultimately helped with supplies, the Southern Baptist Convention has since collaborated with the Red Cross and The Salvation Army to develop a supply chain management system to minimize logistical problems that could interfere with its ability to provide feeding services, according to national office officials from the Southern Baptist Convention.

Changes to Strengthen Communications Systems

To ensure that disaster staff and volunteers can receive and share information during a disaster, the voluntary organizations in our review told us they had to varying degrees strengthened their communications systems since Katrina. Hurricane Katrina destroyed core communications systems throughout the Gulf Coast, leaving emergency responders and citizens without a reliable network needed for coordination.[29] Since then, to prevent potential loss of communication during disasters, the Red Cross increased the number of its disaster response communications equipment and prepositioned emergency communications response vehicles that had Global Positioning Systems. According to organization officials, the Red Cross prepositioned communications equipment in 51 cities across the country, with special attention to hurricane-prone areas. The Red Cross also provided some communications equipment to the Southern Baptist Convention for its mobile kitchens and trucks. According to Red Cross national office officials, the organization's long-term goal for communications is to achieve interoperability among different systems

[29]The White House, *The Federal Response to Hurricane Katrina: Lessons Learned* (Washington, D.C.: February 2006).

such as landline, cellular, and radio networks. Furthermore, the Red Cross reported that it can communicate with FEMA and other federal agencies during a disaster through its participation in the national warning system and its use of a high-frequency radio program also used by federal agencies; in contrast, communication with nonfederal organizations is through liaisons in a facility or by e-mail or telephone. In addition to these Red Cross efforts, the Southern Baptist Convention enabled its ham radio operators throughout the country to directly access its national disaster operations center through a licensed radio address, began including a communications officer in each of its incident command teams, and established a standard communications skill set for all of its local affiliates, among other improvements. Local Salvation Army units also reported upgrading their communications system since Katrina. In Washington, D.C., The Salvation Army began developing an in-house communications system in the event that cellular and satellite communications networks are down, and in Miami, The Salvation Army equipped its canteens with Global Positioning Systems to help disaster relief teams pinpoint locations if street signs are missing due to a disaster. In addition, Catholic Charities in Miami purchased new communications trailers with portable laptop computer stations, Internet access, a generator, and satellite access, according to a Catholic Charities official.

Although Early Assessments Are Limited, a Worst-Case Large-Scale Disaster Would Likely Overwhelm the Current Ability of Major Voluntary Organizations to Provide Mass Care in Four Metro Locations without Government and Other Assistance

Although initial assessments do not yet fully capture the collective capabilities of major voluntary organizations, the evidence suggests that without government and other assistance, a worst-case large-scale disaster would overwhelm voluntary organizations' current mass care capabilities in the metropolitan areas we visited. The federal government and voluntary organizations have started to identify sheltering and feeding capabilities. However, at this point most existing assessments are locally or regionally based and do not provide a full picture of the nationwide capabilities of these organizations that could augment local capabilities. Furthermore, attempts to develop comprehensive assessments are hindered by the lack of standard terms and measures in the field of mass care. In the four metro areas we visited, the American Red Cross, The Salvation Army, and the Southern Baptist Convention were able to provide information on their local sheltering and feeding resources, and in large-scale disasters their substantial nationwide resources could be brought to bear in an affected area. Nevertheless, the estimated need for sheltering and feeding in a worst-case large-scale disaster—such as a Katrina-level event—would overwhelm these voluntary organizations. We also found, however, that many local and state governments in the areas we visited, as well as the federal government, are planning to use government employees

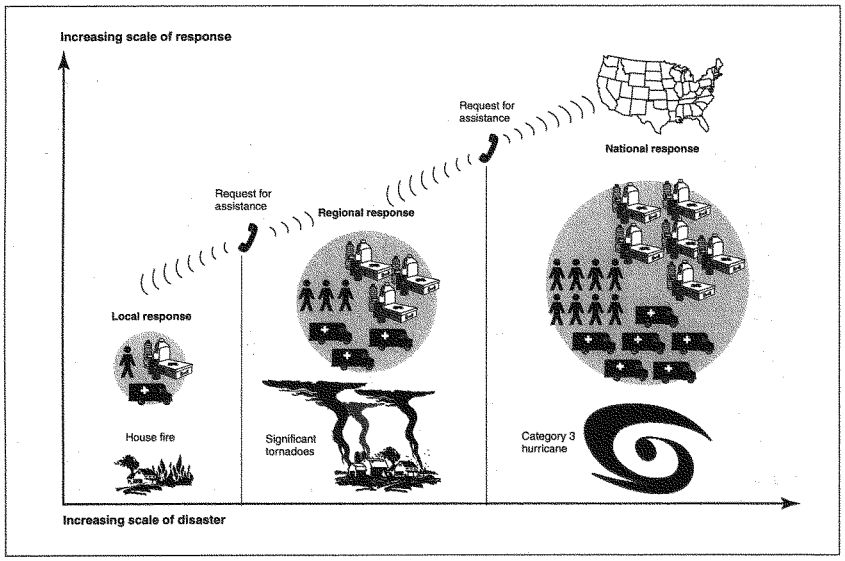
and private sector resources to help address such extensive needs. Red Cross and FEMA officials also told us that in a catastrophic situation, assistance will likely be provided from many sources, including the general public, as well as the private and nonprofit sectors, that is not part of any prepared or planned response.

Capabilities Assessment for Mass Care Is an Emerging Effort That Has Yet to Fully Include Voluntary Organizations

Because the assessment of capabilities among multiple organizations nationwide is an emerging effort—largely post-Katrina—it does not yet allow for a systematic understanding of the mass care capabilities that voluntary organizations can bring to bear to address large-scale disasters in the four metropolitan areas in our review. Assessments help organizations identify the resources and capabilities they have as well as potential gaps. To assess capabilities in such disasters in any metro area, it is necessary to have information not only on an organization's local capabilities but also its regional and nationwide capabilities.[30] Under this scalable approach—which is a cornerstone of the Framework and the Catastrophic Supplement as well—local voluntary organizations generally ramp up their capabilities to respond to large-scale disasters, a process that is shown in figure 4. Voluntary organizations are generally able to handle smaller disasters using locally or regionally based capabilities, but in a large-scale disaster their nationwide capabilities can be brought to bear in an affected area. While our focus in this review is on voluntary organizations' resources and capabilities, governments at all levels also play a role in addressing mass care needs in large-scale disasters.

[30]This is particularly important for catastrophic disasters that would trigger a proactive national federal response under the Catastrophic Incident Supplement.

Figure 4: Voluntary Organizations' Scaling Up Process in Large-Scale Disasters



Source: GAO analysis; images; Art Explosion.

In anticipation of potential disasters, the federal government and the Red Cross have separately started to assess sheltering and feeding capabilities, but these assessments involve data with different purposes, geographic scope, and disaster scenarios. Consequently they do not yet generate detailed information for a comprehensive picture of the capabilities of the voluntary organizations in our review. (See table 5.)

Table 5: Current and Ongoing Assessments of Disaster Response Capabilities by FEMA and the Red Cross

Source	Title	Goal or purpose	Geographic scope	Type(s) of disasters	Date completed	Limitations
FEMA/ DHS	Gap Analysis Program (GAP)	To identify states' existing disaster capability and potential gaps in seven critical areas: sheltering, debris removal, evacuation, temporary housing, medical needs, commodity distribution, and fuel availability. Once gaps are identified, FEMA works with the states to address any deficiencies.	Phase I: 21 hurricane-prone states and territories along the Eastern and Gulf Coasts Phase II: Expanding to all states	Phase I: Category III Hurricane Phase II: States can choose the types of disasters they want to use for the assessment.	Phase I: 2007 Phase II: 2009 (tentative)	Does not assess feeding capabilities outside of shelters Does not incorporate data from voluntary organizations if they do not have formal agreements with state or local governments
FEMA/ DHS American Red Cross	National Shelter System[a]	To provide information using a Web-based system on shelter facilities, capacity, and population counts.	Nationwide	Not applicable	Red Cross version was released in 2006. New FEMA version scheduled for release in 2008	Primarily includes data on shelters operated by the Red Cross, and states have recently entered new data on non-Red Cross shelters
American Red Cross	Risk-Based Capacity Building Initiative	To address catastrophic risks by identifying existing capabilities and creating a response strategy to address the unique requirements of selected catastrophic events.	Six high-risk areas of the country[b]	The most likely, worst-case catastrophic disaster scenario for each area.	2007	Limited to six high-risk areas of the country

Source	Title	Goal or purpose	Geographic scope	Type(s) of disasters	Date completed	Limitations
American Red Cross	Chapter Disaster Readiness Assessments	To gain a clear understanding of each chapter's ability to respond and deliver services should a disaster occur within its jurisdiction.	All Red Cross chapters	The assessment determines the chapter's readiness to respond to disasters of different magnitudes ranging from a 10 family event to a major disaster.[c]	Conducted annually starting in 2003. Most recent assessment was in spring 2007.	Looks at each chapter individually rather than assessing the organization as a whole

Source: GAO analysis

[a]An initial shelter system that is owned and was paid for by the Red Cross, with FEMA as a partner agency, is currently operational. The federal National Shelter System—operated by FEMA in partnership with the Red Cross— is owned and housed at FEMA and scheduled for release in August 2008. When completed, the plan is for the Red Cross to enter and verify data for Red Cross shelters, and for states to enter and verify data for all other shelters.

[b]The six areas were Southern California, National Capital Region, New York City Metropolitan Area, Gulf Coast, California Bay Area, and Southeast Coast.

[c]In its Chapter Readiness Assessments, the Red Cross defines a major disaster as the largest, most likely event that could have an impact on the chapter. Each chapter is expected to meet with local emergency managers to discuss the largest most likely event. The minimum service delivery requirements for this scenario is for a chapter to be able to operate two shelters with a total of 200 residents, prepare and serve 1,000 meals per day, and staff one government liaison office.

FEMA is currently spearheading two initiatives that to some extent address the mass care capabilities of voluntary organizations in our review. FEMA's Gap Analysis Program, which has so far looked at state capabilities in 21 hurricane-prone states and territories, has begun to take stock of some voluntary organizations' capabilities. According to FEMA officials, states incorporated sheltering data from organizations with which they have formal agreements. In the four metro areas we visited, however, we found that—unlike the Red Cross—The Salvation Army and the Southern Baptist Convention did not generally have formal agreements with the state or local government.[31] For this reason, it is unlikely that their resources have been included in this first phase, according to FEMA officials.[32] Also, this initial phase of analysis did not assess feeding

[31]The Salvation Army and the Southern Baptist Convention primarily provide feeding services, but The Salvation Army also has some shelter facilities it can operate during large-scale disasters, according to officials we met.

[32]Red Cross officials said they have provided states with capabilities data that included some information from other voluntary organizations, but it is not known the extent to which states incorporated these data into their GAP assessments.

capabilities outside of those available in shelters, a key facet of mass care for which voluntary organizations have significant resources.[33] Another form of assessment under way through FEMA and the Red Cross—the National Shelter System database—which collects information on shelter facilities and capacities nationwide—largely consists of shelters operated by the Red Cross, and states have recently entered new data on non-Red Cross shelters as well.[34] While The Salvation Army and other voluntary spokesmen told us they have shelters at recreation centers and other sites that are not listed in this database, FEMA officials told us the accuracy of the shelter data is contingent upon states reporting information into the system and updating it frequently. FEMA has offered to have its staff help states include non-Red Cross shelter data in the database and has also provided or facilitated National Shelter System training in 26 states and 3 territories. As of July 2008, shelters operated by the Red Cross account for about 90 percent of the shelters listed, and according to FEMA officials, 47 states and 3 territories have entered non-Red Cross shelter data into the database. In commenting on the draft report, FEMA noted that in addition to these assessments, the agency is conducting catastrophic planning efforts to help some states develop sheltering plans for responding to certain disaster scenarios. For example, the states involved in planning efforts for the New Madrid earthquake are developing plans to protect and assist their impacted populations and identifying ways to augment the resources provided by voluntary organizations and the federal government.

Of the voluntary organizations in our review, the Red Cross is the only one that has, to date, undertaken self-assessments of its capabilities. First, its annual readiness assessments of individual local chapters provide an overview of locally based capabilities for disasters of various scales and identify shortfalls in equipment and personnel for each chapter. Second,

[33]The GAP analysis began by having states and territories identify existing disaster capabilities and potential gaps in seven critical areas: sheltering, debris removal, evacuation, temporary housing, medical needs, commodity distribution, and fuel availability. Since the first phase focused on hurricane- prone areas of the country, it did not include one of the four locations in our review — the Los Angeles metro area—in the analysis.

[34]An initial shelter system that is owned and was paid for by the Red Cross, with FEMA as a partner agency, is currently operational. However, FEMA has developed a federal National Shelter System that will be owned and housed at FEMA and is scheduled for release in August 2008. When the federal shelter system is completed, the plan is for Red Cross to enter and verify data for Red Cross shelters, and for states to enter and verify data for all other shelters. See GAO-08-369.

the Red Cross has also conducted comprehensive assessments of its sheltering and feeding capabilities in six high-risk areas of the country as part of its capacity-building initiative for those areas. Focusing on the most likely worst-case catastrophic disaster scenario for each area, this initiative reflects the Red Cross's primary means of addressing its responsibilities under the federal Catastrophic Supplement. Red Cross officials said that while they incorporated data from The Salvation Army and the Southern Baptist Convention into this assessment, many of their other partner organizations were unable to provide the Red Cross with such information. The Salvation Army and Southern Baptist Convention officials with whom we spoke said they have not yet assessed their organizations' nationwide feeding capabilities, although they were able to provide us with data on the total number of mobile kitchens and other types of equipment they have across the country.

Also underlying the problem of limited data on voluntary organizations is the lack of standard terminology and measures for characterizing mass care resources. For example, voluntary organizations do not uniformly use standard classifications for their mobile kitchens. This makes it difficult to quickly assess total capacity when dozens of mobile kitchens from different organizations arrive at a disaster site or when trying to assess capabilities. While DHS requires all federal departments and agencies to adopt standard descriptions and measures—a process defined in NIMS as resource typing—voluntary organizations are not generally required to inventory their assets according to these standards. Red Cross officials report that their organization does follow these standards, but The Salvation Army and Southern Baptist Convention officials said their organizations currently do not, although the latter has taken steps to do so. Specifically, national Southern Baptist officials said they are working with the Red Cross and The Salvation Army to standardize their mobile kitchen classifications using NIMS resource definitions. We also found indications of change at the local level in California with regard to The Salvation Army. Officials there told us they used NIMS resource typing to categorize the organization's mobile kitchens in the state and that they have provided these data to California state officials.

Meanwhile, FEMA is also working with NVOAD to standardize more ESF-6 service terms, in accordance with its responsibilities under the Post-

Katrina Reform Act.[35] This initiative currently includes terms and definitions for some mass care services such as shelter management and mobile kitchens.[36] However, FEMA officials said it may be several years before additional standard terms and measures are fully integrated into disaster operations.

While Voluntary Organizations' Resources Are Substantial, Their Sheltering and Feeding Capabilities Would Likely Fall Short of Estimated Needs in a Worst-Case Large-Scale Disaster without Government and Other Assistance

Although systematic assessments of mass care capabilities are limited, it is evident that in large-scale, especially worst-case, catastrophic disasters, the three mass care voluntary organizations would not likely be able to fulfill the need for sheltering and feeding in the four metropolitan areas in our review without government and other assistance, according to voluntary organization officials we interviewed as well as our review of federal and other data. Red Cross officials, as well as some officials from other organizations we visited, generally agreed that they do not have sufficient capabilities to single-handedly meet all of the potential sheltering and feeding needs in some catastrophic disasters. While the mass care resources of these voluntary organizations are substantial, both locally and nationally, our analysis indicates a likely shortage of both personnel and assets. Anticipating such shortages, the voluntary organizations we spoke with are making efforts to train additional personnel. According to local, state, and federal government officials we spoke with, government agencies—which play key roles in disaster response—told us that they were planning to use government employees and private sector resources in such disasters in addition to the resources of voluntary organizations. Red Cross and FEMA officials also told us that in a catastrophic situation, assistance will likely be provided from many sources, including the general public, as well as the private and nonprofit sectors, that are not part of any prepared or planned response.

Federal and Other Estimates of Needs in Worst-Case Large-Scale Disasters

Within the past few years, DHS, the Red Cross, and others have developed estimates of the magnitude of mass care services that might be needed to respond to worst-case catastrophic disasters, such as various kinds of terrorist attacks or a hurricane on the scale of Katrina or greater. The

[35]The Post-Katrina Act requires FEMA to collaborate with state, local, and tribal governments, and organizations that represent emergency response providers on developing standards for deployment capabilities, including typing of resources likely needed in disasters. Pub. L. No. 109-295, §611(13).

[36]FEMA has so far developed definitions for 120 kinds of resources used in disaster response, but only a few of these are related to mass care.

estimates vary according to the type, magnitude, and location of such disasters and are necessarily characterized by uncertainties.[37] (See table 6.)

Table 6: Examples of Federal and Other Estimates of the Magnitude of Mass Care Needs in Worst-Case Large-Scale Disasters

				Estimated needs	
Source	**Methodology**	**Geographic scope**	**Type(s) of disasters**	**Sheltering (people)**	**Feeding**
Department of Homeland Security —Target Capabilities List (September 2007)	The estimates were developed by DHS after an in-depth analysis of the Major Earthquake scenario in the National Planning Scenarios.[a]	A major metropolitan area with a population of approximately 10 million people	7.2-magnitude earthquake with a subsequent 8.0 earthquake (Richter scale)	313,000	1.5 million meals per day
American Red Cross —Risk-Based Capacity Building Initiative (July 2007)	Red Cross worked with state and local officials and other disaster experts to develop worst-case disaster scenarios in six high-risk areas of the country.	Six high-risk areas of the county, encompassing the four metropolitan areas in our study:			
		Southern California	Southern California: 7.2 to 7.5 magnitude earthquake	564,113	2.5 million people will need feeding
		National Capital Region	Washington, D.C., region: chemical, biological, radiological, nuclear, or major explosion terrorist attack	300,000	—[b]
		New York City metro area	New York metropolitan area: category III/IV hurricane	605,000[c]	4 million people will need feeding[c]
		Gulf Coast			
		California Bay area			
		Southeast Coast	Gulf Coast: Category V hurricane	328,646[d]	657,292 meals per day[d]

[37]Red Cross officials emphasized to us that estimating needs for scenarios is very speculative because of the unknowns and varying aspects of mass care needs. For example, one official noted that pre-event evacuation shelter needs are different from regular shelter needs for people whose homes are destroyed. He also noted that shelter needs can follow different trajectories after some types of disaster such as an earthquake, not reaching maximum levels until several days after an initial impact.

Source	Methodology	Geographic scope	Type(s) of disasters	Estimated needs	
				Sheltering (people)	Feeding
Florida Division of Emergency Management[e] —Hurricane Ono planning project (November 2007)	The estimates were developed by a team of state and federal subject matter experts for use at a catastrophic planning workshop.	South Florida	Category V hurricane	885,000	3 million meals per day

Source: GAO analysis.

[a]The National Planning Scenarios were developed by the Homeland Security Council—in partnership with DHS; other federal departments and agencies; and state, local, tribal, and territorial governments—to illustrate the potential scope, magnitude, and complexity of a range of major events. The 15 scenarios include terrorist attacks and major disasters such as hurricanes and earthquakes.

[b]The Red Cross's assessment for a chemical, biological, radiological, nuclear, or major explosion terrorist attack in the Washington, D.C., region does not include an estimate for the number of people needing feeding services.

[c]Estimates are specifically for New York, New York.

[d]Estimates are specifically for Florida.

[e]The Hurricane Ono planning project is a joint initiative by FEMA and the state of Florida. It is part of the Florida catastrophic planning project that started in the fall of 2006.These estimates provide the basis for analyzing the ability of voluntary organizations— particularly the Red Cross—to provide sheltering and feeding in response to large-scale, especially catastrophic disasters. In a catastrophic disaster, government agencies are expected to work together with voluntary organizations and the private sector to collectively meet the substantial need for mass sheltering and feeding, according to the National Framework and Catastrophic Supplement.

Sheltering Resources and Capabilities

Although sheltering resources are substantial, in a worst-case large-scale disaster, the need for sheltering would likely exceed voluntary organizations' current sheltering capabilities in most metro areas in our study, according to government and Red Cross estimates of needs. The preponderance of shelters for which data are available are operated by the Red Cross in schools, churches, community centers, and other facilities that meet structural standards, but The Salvation Army and other organizations also operate a small number of sheltering facilities as well. The Red Cross does not own these shelter facilities, but it either manages the shelters with its own personnel and supplies under agreement with the owners or works with its partner organizations and others to help them manage shelters. At the national level, the Red Cross has identified 50,000 potential shelter facilities across the country, as noted in the National Shelter System database. In addition, the Red Cross has enough sheltering

supplies, such as cots and blankets, to support up to 500,000 people in shelters nationwide.[38] However, while disaster victims can be evacuated to shelters across the country if necessary, as happened after Katrina, Red Cross officials told us they prefer to shelter people locally. In the four metro areas we visited, the Red Cross has identified shelter facilities and their maximum or potential capacities, as shown in table 7.

Table 7: Shelters Operated by the American Red Cross and Potential Capacity in Four Metropolitan Areas

	Washington, D.C.	New York, N.Y.	Los Angeles, Calif.	Miami, Fla.
Number of shelter facilities	386	623	341	65
Total bed space capacity	13,000	311,500[a]	84,000	38,000

Source: Data provided by the Red Cross.

Note: The actual number of people the Red Cross can shelter in these facilities after a large-scale disaster would be affected by such things as the location and scope of the disaster-impacted area, the availability of trained personnel, the condition of utilities and other infrastructure, and the availability of transportation.

[a]During the initial evacuation phase of the response, these same shelters would be operated by the New York City government and would have the capacity to shelter more than 600,000 people. The evacuation shelters have higher capacities because they provide fewer services and need less space per person than the shelters that are operated by the Red Cross that provide more comprehensive services.

Despite local and nationally available resources, the kinds of large-scale disasters for which estimates of need exist would greatly tax and exceed the Red Cross's ability to provide sheltering. For example, for a major earthquake in a metropolitan area, DHS estimates that 313,000 people would need shelter,[39] but in Los Angeles—a city prone to earthquakes—Red Cross officials told us they are capable of sheltering 84,000 people

[38]The Red Cross estimated that 500,000 people would need shelters in a worst-case scenario, or approximately three times the highest number of people sheltered during a single night during the response to Hurricane Katrina.

[39]The catastrophic estimate is not for a specific geographic location but is based on an earthquake along a fault zone in a major metropolitan area with a population of approximately 10 million people, which is about the population of Los Angeles County. This estimate is from DHS's Target Capabilities List (September 2007). A key element of the DHS National Preparedness Guidelines, the Target Capabilities List defines specific capabilities that communities, the private sector, and all levels of government should collectively possess in order to respond effectively to disasters.

locally under optimal conditions. The Red Cross's own analyses of other types of worst-case disaster scenarios also identified shortages in sheltering capacity in New York and Washington, D.C., as well.[40] For example, for a nuclear terrorist attack in Washington, D.C., the Red Cross estimates that 150,000 people would need sheltering in the National Capital Region and identified a gap of over 100,000 shelter spaces after accounting for existing capabilities.

The ability to build or strengthen sheltering capabilities depends on several elements, including the availability of trained personnel and supplies, the condition of shelter facilities, and the particular disaster scenario and location, among other things. Chief among these constraints, according to national and local Red Cross officials, is the shortage of trained volunteers. Red Cross officials said there are 17,000 volunteers and staff in the Red Cross's national disaster services human resources program that have received extensive training in sheltering as of May 2008 and an additional 16,000 Red Cross workers trained in mass care that can be deployed across the country.[41] However, local chapters are still expected to be self-sufficient for up to 5 days after a large-scale disaster occurs, while staff and volunteers are being mobilized nationwide. According to the Red Cross's annual chapter assessments, personnel shortages limit the ability of all four chapters we visited to manage the local response beyond certain levels. In New York City, Red Cross officials noted that it has identified enough shelters to optimally accommodate more than 300,000 people, but that it has only enough personnel locally to simultaneously operate 25 shelters, for a total sheltering capability of 12,500 people. The Red Cross is working with its local chapters to develop action plans to address personnel shortages. For example, in New York, the Red Cross has set a goal of recruiting 10,000 additional volunteers—in addition to the 2,000 it had as of December 2007 to operate shelters—and plans to attract 850 new volunteers each quarter. In addition, supply chain and warehousing challenges affect the ability to maximize sheltering capabilities. According to Red Cross officials, it is not necessary to maintain large inventories of some supplies, such as blankets, if they can

[40]The Red Cross's risk-based capacity-building initiative assessment of a category V hurricane in the Gulf Coast identified a surplus of sheltering capacity in all of Florida of approximately 113,000 bed spaces over estimated needs. However, a Red Cross official said that since this initiative was state focused, it did not specifically assess sheltering capacity in the Miami metropolitan area.

[41]Red Cross officials also said that more volunteers could be trained and deployed after a disaster.

be quickly and easily purchased. However, obtaining other supplies such as cots requires a long lead time since they may need to be shipped from as far away as China, a fact that can be particularly problematic in no-notice events such as major earthquakes. While purchasing supplies as needed can reduce warehousing costs, this approach can also be affected by potential disruptions in the global supply chain, according to officials we spoke with.

In DHS's Catastrophic Incident Supplement, an underlying assumption is that substantial numbers of trained mass care specialists and managers will be required for an extended period of time to sustain mass care sheltering and feeding activities after a catastrophic disaster. In recognition of the need to increase the number of trained personnel to staff existing shelters, state and local governments in the four metropolitan areas we visited told us they are planning to train and use government employees to staff shelters in such large-scale disasters. For example, in New York City, the Office of Emergency Management is preparing to use trained city government employees and supplies to provide basic sheltering care for up to 600,000 residents in evacuation shelters. The city-run evacuation shelters would be located at schools for the first few days before and after a catastrophic hurricane. After this initial emergency plan is implemented, the city expects the Red Cross to step in and provide more comprehensive sheltering services to people who cannot return to their homes.[42] As Red Cross officials told us, the New York City government is the only local organization with the potential manpower to staff all the available shelters, but the Red Cross will also provide additional personnel to help operate some of the city's evacuation shelters and special medical needs shelters. As of November 2007, 22,000 New York City employees had received shelter training through a local university, with some additional training from the Red Cross. Similarly, in Los Angeles, as of January 2008, approximately 1,400 county employees had been trained in shelter management so far, and the Red Cross has set a goal to train 60,000 of the county's 90,000 employees. In addition, state governments have resources, equipment, and trained personnel that can

[42]The Red Cross does not currently have the capability to shelter all the people that would be unable to return to their homes, according to the Red Cross's own analysis. The New York City government plans to return the evacuation shelters, which include schools and other city-owned facilities, to their normal functions as soon as possible after a disaster, but would extend the use of these facilities for sheltering if needed. The number of people needing comprehensive sheltering services is expected to be smaller than the 600,000 who may need sheltering during the evacuation phase of a catastrophic hurricane.

be mobilized to provide mass care, according to state and FEMA officials. States can also request additional resources from neighboring states through their mutual aid agreements. According to Red Cross and FEMA officials, in a catastrophic disaster, sheltering assistance would likely be provided from many sources, such as churches and other community organizations, as occurred in the aftermath of the Katrina hurricanes, and they also noted that such assistance was not part of any prepared or planned response.

Feeding Resources and Capabilities

Although voluntary organizations' feeding resources are also substantial, the feeding needs in a worst-case large-scale disaster would likely exceed the voluntary organizations' current feeding capabilities for most metro areas in our review, according to government and Red Cross estimates of needs. In their feeding operations, voluntary organizations make use of mobile kitchens or canteens to offer hot meals and sandwiches, prepackaged meals known as meals-ready-to-eat (MRE), and hot and cold meals prepared by contracted private vendors.[43] The Red Cross, The Salvation Army, and the Southern Baptist Convention have locally based resources for feeding disaster victims in the four metro areas we visited. For example, The Salvation Army and the Southern Baptist Convention have mobile kitchens stationed in close proximity to each of the four metro areas we visited. Some of these mobile kitchens are capable of producing up to 25,000 meals per day. The Red Cross also has feeding resources in these metro areas including prepackaged meals, vehicles equipped to deliver food, and contracts with local vendors to prepare meals. In addition, by mobilizing nationwide resources, such as mobile kitchens and prepackaged meals, the Red Cross reports that it currently has the capability, together with the Southern Baptist Convention, to provide about 1 million meals per day—about the maximum number of meals served per day during Katrina. Across the country, The Salvation Army has 697 mobile kitchens and other specialized vehicles and the Southern Baptist Convention has 117 mobile kitchens that can be dispatched to disaster sites, according to organization officials.[44] Furthermore, Red Cross officials also said they have 6 million

[43]Mobile kitchens, also known as canteens, are essentially kitchens on wheels that can prepare and serve two to three hot meals per day. For example, a typical Salvation Army mobile kitchen has a griddle, four burner stove top, oven, microwave, refrigerator/freezer, and generator.

[44]The Salvation Army also has buildings located across the country that can be used during disasters as feeding sites and distribution centers.

prepackaged meals stockpiled in warehouses across the country that can be quickly distributed in the first few days after a disaster, before mobile kitchens are fully deployed to the affected area. Red Cross officials also said that they can tap into additional food sources, such as catering contracts with food service providers, during prolonged response efforts.

Despite these substantial resources nationwide, in a worst-case large-scale disaster, feeding needs would still greatly exceed the current capabilities of these voluntary organizations, according to government and Red Cross estimates of needs under different scenarios. For example, DHS estimates that feeding victims of a major earthquake would require approximately 1.5 million meals per day, but this need is considerably greater than the 1 million meals per day currently possible, leaving a shortfall of about 500,000 meals per day.[45] According to state government estimates, the gap is even larger for other types of disaster scenarios. For example, according to Florida state estimates, a category IV hurricane could produce the need for 3 million meals per day, which is considerably greater than the 1 million meals per day that the Red Cross can provide. In addition, a nuclear terrorist attack in Washington, D.C., would require 300,000 meals per day more than the Red Cross's current capabilities allow, according to the Red Cross's internal assessments.

The ability to build or strengthen feeding capabilities depends on the availability of trained personnel, equipment, and supplies. As with sheltering, some voluntary organization officials told us that the key constraint is the limited availability of trained personnel. Feeding services are a labor-intensive process. For example, Southern Baptist Convention officials said it takes a team of 50 trained people to operate a large mobile kitchen, and an additional 50 people are needed every 4 days because teams are rotated in and out of disaster sites. Southern Baptist Convention officials said that although they have 75,000 trained volunteers in their organization, there are still not enough trained volunteers, especially experienced team leaders. They said the shortage of experienced team leaders is particularly challenging because mobile kitchens cannot be deployed without a team leader. The voluntary organizations are addressing these personnel shortages by promoting training programs for new staff and volunteers and also utilizing additional unaffiliated, untrained volunteers who join during response efforts. For example, according to The Salvation Army, its national disaster training program

[45]This DHS estimate of feeding needs is from the Target Capabilities List (September 2007).

has trained more than 16,000 personnel throughout the United States since 2005. In addition, supply disruptions are also a major concern in large-scale disasters because mobile kitchens and other feeding units need to be restocked with food and supplies in order to continue providing meals. Red Cross officials told us they are in the process of expanding their food supply by contracting with national vendors to provide additional meals during disasters. In addition, as previously mentioned, the Southern Baptist Convention faced problems resupplying its mobile kitchens during the response to Hurricane Katrina and has since taken steps to develop a supply chain management system with the Red Cross and The Salvation Army to minimize future logistical problems.

In the four metro areas we visited, some state and local government officials we met with told us they are planning to fill these gaps in feeding services by contracting with private sector providers. In Florida, the state is planning to use private sector contractors to fill gaps in feeding services in preparation for a catastrophic hurricane. A Florida state official said obtaining and distributing the estimated 3 million meals per day that would be needed is a huge logistical challenge that would require the state to use 20 to 40 private vendors. In Washington, D.C., the emergency management officials said they are also establishing open contracts with private sector providers for additional prepackaged meals and other food supplies.

Federal Government's Supplementary Efforts

As a result of FEMA's new responsibilities under the Post-Katrina Act and its new role as the primary agency for mass care under the National Framework, FEMA officials have told us that the agency was working to identify additional resources for situations in which the mass care capabilities of government and voluntary organizations are exceeded. [46] FEMA officials said that FEMA has developed contracts with private companies for mass care resources for situations in which the needs exceed federal capabilities. After Katrina, FEMA made four noncompetitive awards to companies for housing services. Since then, contracts for housing services have been let through a competitive process and broadened in scope so that if a disaster struck now they could also include facility assessment for shelters, facility rehabilitation—including making facilities accessible—feeding, security, and staffing shelters. According to the FEMA official in charge of these contracts, the contracts gave the federal government the option of purchasing the resources it

[46]See GAO-08-369.

needs in response to disasters. FEMA officials said, however, that they prefer using federal resources whenever possible because private sector contract services are more expensive than federal resources. FEMA also has a mass care unit that is responsible for coordinating ESF-6 partner agency activities and assessing state and local government shelter shortfalls. According to FEMA, the members of the mass care unit based in Washington, D.C., are composed of subject matter experts trained in various mass care operations, including sheltering. Mass care teams have been deployed to assist with sheltering operations, such as the California wildfires of 2007 and the Iowa floods of 2008. FEMA regional offices have also begun to hire staff dedicated to mass care.

Shortages in Personnel, Preparedness Funding, and Connections to Government Remain a Challenge

Shortages in trained personnel, identifying and dedicating financial resources for preparedness activities, and strengthening connections with government agencies continue to challenge the voluntary organizations in our study. Voluntary organizations in our review continue to face shortages in trained staff to work on preparing for future disasters, among other things, and volunteers to help provide mass care services, even though voluntary organizations and government agencies we met with made efforts to train additional personnel. Identifying and dedicating financial resources for disaster planning and preparedness become increasingly difficult as voluntary organizations also strive to meet competing demands. In addition, the level of involvement and interaction of voluntary organizations in disaster planning and coordination with government agencies is an ongoing challenge, even for the American Red Cross, which has recently changed the way it works with FEMA and state governments.

Personnel Shortages Continue to Be a Common Concern

The most commonly cited concern that voluntary organizations have about their capabilities is the shortage of trained staff or volunteers, particularly for disaster planning and preparedness, according to voluntary organization officials. State and local governments are primarily responsible for preparing their communities to manage disasters locally—through planning and coordination with other government agencies, voluntary organizations, and the private sector. However, voluntary organization officials we met with told us it was difficult for them to devote staff to disaster planning, preparedness activities, and coordination. At the national level, the Southern Baptist Convention and Catholic Charities USA maintained small staffs of one or two people that work on disaster preparedness and coordination, which they said made preparedness and coordination for large-scale disasters challenging. At the

local level, we also heard that staff who were responsible for disaster planning for their organization had multiple roles and responsibilities, including coordinating with others involved in disaster response as well as daily responsibilities in other areas. This was particularly an issue for the faith-based organizations, such as The Salvation Army and the Southern Baptist Convention, for whom disaster response, while important, is generally ancillary to their primary mission. For example, in Florida the state Southern Baptist Convention has a designated staff member solely focused on disaster relief and recovery, but other state Southern Baptist Conventions expect disaster staff to split their time among other responsibilities, such as managing the men's ministry, and generally do not have the time or ability to interact with the state emergency management agency, according to an official from the Florida Southern Baptist Convention. Similarly, a Salvation Army official in Miami commented that The Salvation Army could do more if they had a dedicated liaison employee to help with their local government responsibilities, including coordinating the provision of mass care services, which the organization provides in agreement with the local government. According to a national official from Catholic Charities USA, local Catholic Charities that provide disaster services usually have one employee to handle the disaster training and response operation, in addition to other responsibilities. While it would be ideal for all local Catholic Charities to have at least two or three employees trained in disaster response, she said, the organization currently does not have resources for this training. In New York and Los Angeles, officials from Catholic Charities confirmed that the lack of personnel capable of responding to disasters is an ongoing challenge for their organization.

These shortages in trained staff affected the ability of some local voluntary organizations and VOADs we met with to develop and update business continuity and disaster response plans, according to officials from these organizations.[47] In Los Angeles, an official from Catholic Charities told us that it does not have a disaster or continuity-of-operations plan tailored to the organization's needs, because it does not have dedicated disaster staff to develop such plans. Voluntary organization officials in Miami emphasized the importance of having such continuity plans, because after Hurricanes Katrina and Wilma struck Florida in 2005, most of the local

[47]Business and continuity-of-operations plans are important for maintaining essential services, since a large-scale disaster could disrupt operations by damaging shelter facilities, making equipment inaccessible, and displacing volunteers and staff.

voluntary organizations in the area were unable to provide services due to damage from the storm. In addition, organizations and VOADs we visited said that they struggle to update their disaster response plans. For instance, in Los Angeles, an official from the local VOAD told us that the organization's disaster response plan needed to be updated, but that the VOAD has not addressed this need because of staffing limitations. This official also told us the VOAD was planning to hire two full-time staff sometime in 2008 using federal pandemic influenza funds received through the county public health department.[48]

In addition, as mentioned earlier, voluntary organization officials both nationally and locally told us that they face a shortage of trained volunteers, which limits their ability to provide sheltering and feeding in large-scale, and especially catastrophic disasters. This continues to be an ongoing concern despite the efforts of voluntary organizations and government agencies to build a cadre of trained personnel.

Voluntary Organizations Face Difficulties in Identifying and Dedicating Funding for Disaster Preparedness and Capacity Building

Identifying and dedicating funding for disaster preparedness is a challenge for voluntary organizations in light of competing priorities, such as meeting the immediate needs of disaster survivors. Officials from voluntary organizations in our review told us that they typically raised funds immediately following a disaster to directly provide services, rather than for disaster preparedness—or, for that matter, longer-term recovery efforts. Although the Red Cross raised more than $2 billion to shelter, feed, and provide aid to disaster survivors following Katrina, the Red Cross recently acknowledged that it is less realistic to expect public donations to fund its nationwide disaster capacity-building initiatives. Similarly, the biggest challenge for Catholic Charities USA is identifying funds for essential disaster training—a key aspect of preparedness, according to an official. At the local level, an official from Catholic Charities in New York noted also that incoming donations tend to focus on funding the initial disaster response. As we previously reported, vague language and narrowly focused definitions used by some voluntary organizations in their appeal for public donations following the September 11 attacks

[48]The Pandemic Influenza Funding program is administered by the Centers for Disease Control and Prevention, U.S. Department of Health and Human Services. Funding under this program is intended to improve state and local capacity to prepare for and respond to an influenza pandemic through projects such as engaging the public as part of the public health decision-making process and initiating collaborative planning among health care providers to ensure the delivery of essential services during a pandemic influenza outbreak.

contributed to debates over how funds should be distributed, particularly between providing immediate cash assistance to survivors or services to meet short- and long-term needs.[49] An indication of this continuing challenge is that officials from Catholic Charities in Washington, D.C., and New York reported that they are still working with September 11 disaster victims and communities, and that they struggle to raise funds for long-term recovery work in general.

Besides public donations, while federal grant programs could provide another potential source of preparedness funding for voluntary organizations, local voluntary organization officials told us it was difficult to secure funding through these programs without support from the local government.[50] Local voluntary organizations officials we met with said that federal funding for disaster preparedness, such as the Urban Area Security Initiative Grant Program, could be useful in helping their organization strengthen their capabilities. For example, such grants could be used to coordinate preparedness activities with FEMA and other disaster responders, better enable voluntary organizations to develop continuity of operations plans, and train staff and volunteers. However, although voluntary organizations are among those that play a role in the National Response Framework—especially in relation to ESF-6—these organizations received little to no federal funding through programs such as the Homeland Security Grant Programs, according to some local voluntary organization and VOAD officials we visited. Under most of these grants, states or local governments are the grant recipients, and other organizations such as police and fire departments can receive funds through the state or local governments. Of the local voluntary organizations and VOADs in our study, two Red Cross chapters received DHS funding in recent years, according to the Red Cross. In Los Angeles, Red Cross officials told us that the chapter had to be sponsored and

[49]See GAO-03-259.

[50]DHS provides states and local governments with technical assistance and funding to enhance emergency management and homeland security. Specifically, DHS provides a range of grant programs administered by FEMA to states and local governments for emergency management under the Homeland Security Grant Program, which funds planning, organization, equipment, training, and exercise activities in support of national preparedness and response. The programs under Homeland Security Grant Program include the State Homeland Security Program and the Urban Areas Security Initiative. In particular, the Urban Areas Security Initiative grant is awarded to some states with high-threat and high density urban areas that need planning, exercises, equipment, and training to respond to acts of terrorism.

supported by the local government in order to receive DHS funding for shelter equipment and supplies.

While the director of FEMA's grant office told us that FEMA considered voluntary organizations as among the eligible subgrantees for several preparedness grants under the Homeland Security Grant Program, the grant guidance does not state this explicitly. According to fiscal year 2008 grant guidance, a state-designated administrating agency is the only entity eligible to formally apply for these DHS funds. The state agency is required to obligate funds to local units of government and other designated recipients, but the grant guidance does not define what it means by "other designated recipient." In addition, FEMA strongly encourages the timely obligation of funds from local units of government to other subgrantees, as appropriate, but possible subgrantees are not identified. State agencies have considerable latitude in determining how to spend funds received through the grant program and which organizations to provide funds to, according to the FEMA grant director. However, for fiscal year 2005, approximately two-thirds of Homeland Security Grant Program funds were dedicated to equipment—such as personal protective gear, chemical and biological detection kits, and satellite phones—according to DHS, while 18 percent were dedicated to planning activities.[61] An official from FEMA's grants office told us that following the September 11 attacks, the grant program focused on prevention and protection from terrorism incidents, but it has evolved since Katrina. According to this official, the fiscal year 2008 grant guidance encourages states to work with voluntary organizations, particularly for evacuations and catastrophic preparedness. Furthermore, this official said it is possible that DHS grant funding has not yet trickled down to local voluntary organizations. It is possible that the tendency of DHS funding programs to focus on equipment for prevention and protection rather than on preparedness and planning activities could also shift as states and localities put equipment and systems into place and turn to other aspects of preparedness.

[61]Since 2005, DHS has produced an Annual Report on Preparedness Funding, which includes data on the obligation, expenditure status, and use of funds for all major federal preparedness grants—including non-DHS grants—awarded to states, localities, and other nonfederal entities.

Voluntary Organizations' Connections with Local Governments and FEMA Remain a Challenge

Local VOADs can play a key role in disaster preparation and response through interactions with local emergency management agencies of local governments, although the local VOADS in the areas we visited varied in their ability and approach to working with local governments on disasters. Like NVOAD, local VOADs are not service providers. Instead, like NVOAD nationally, local VOADs play an important role in coordinating response and facilitating relationship building in the voluntary sector at the local level, according to government officials. Generally, most of the voluntary organizations in the locations we visited were members of their local VOADs. Several local government emergency managers told us they relied on the local VOADs as a focal point to help them coordinate with many voluntary organizations during disasters. Some local VOADs in our review met regularly and were closely connected to the local governmental emergency management agency—including having seats at the local emergency operations centers. More specifically, the Red Cross was a member of the local VOADs in the areas we visited. It also directly coordinated with government agencies during a disaster and had a seat at the local emergency operations center in all four locations. In New York and Miami, The Salvation Army units were VOAD members and had seats as well. Other VOADs were less active and experienced and were not as closely linked to governmental response. In Washington, D.C., the local VOAD has struggled to maintain a network and continually convene since its inception, according to the current VOAD Chair. In Miami, a local VOAD member told us that the VOAD had little experience with large-scale disasters, because it re-formed after Hurricane Katrina and the area has not experienced major hurricanes since then. In addition, one of the local VOADs was tied to a local ESF-6 mass care operating unit, while others were more closely connected to an emergency function that managed unaffiliated volunteers and donations. The local VOAD in Los Angeles worked with the local government on ESF-6, issues while the VOADs in Miami and Washington, D.C., coordinated with government agencies through managing volunteers and donations during disasters.

Currently, NVOAD has few resources to support state and local VOADs. NVOAD's executive director told us that NVOAD plans to provide state and local VOADS with more support using Web-based tools and guidance, but these plans are hindered by a lack of funding to implement them. As we recently reported, NVOAD is limited in its ability to support its national voluntary organization members, and also lacks the staff or resources to support its affiliated state and local VOADs.[52] Because of these limitations,

[52]See GAO-08-369.

we recommended that NVOAD assess members' information needs, improve its communication strategies after disasters, and consider strategies for increasing staff support after disasters. NVOAD agreed with this recommendation and reported that the organization is looking to develop communications systems that take better advantage of current technologies. Since our previous report was issued, NVOAD has expanded its staff from two to four members, some of whom are working to build the collective capacity of state and local VOADs and providing training and technical assistance to state VOADs.

At the federal level, although FEMA plays a central role in coordinating with voluntary organizations on mass care and other human services, its difficulties in coordinating activities with the voluntary sector due to staffing limitations were also noted in this earlier report. At the time of our report, FEMA only had one full-time employee in each FEMA region[53]—a voluntary agency liaison—to coordinate activities between voluntary organizations and FEMA, and FEMA liaisons did not have training to assist them in fully preparing for their duties. In light of FEMA's responsibilities for coordinating the activities of voluntary organizations in disasters under the National Framework, we recommended that FEMA take additional actions to enhance the capabilities of FEMA liaisons in order to fulfill this role. FEMA agreed with our recommendation; however, it is too early to assess the impact of any changes to enhance liaisons' capabilities.

Last, because of its current budget deficit, the Red Cross faces new challenges in fulfilling its ESF-6 role as a support agency. The Red Cross noted that it is working closely with its government partners in leadership positions to manage the transition, following its staffing reductions at FEMA's regional offices and elsewhere and the subsequent realignment of staff responsibilities. The Red Cross reported that it will monitor the impact of these changes and make adjustments as needed. At the same time, as was previously mentioned, the Red Cross has also requested $10 million in federal funding to cover its staffing and other responsibilities under the ESF-6. According to FEMA officials, FEMA funded 10 regional positions to replace the Red Cross mass care planner positions that were terminated. FEMA also said that while it is too early to assess the long-term impact of these Red Cross staffing changes, FEMA was experiencing some hindrance to effective communications and limits on the Red Cross's participation in planning at FEMA headquarters, regional offices, and field

[53]There are 10 FEMA regional offices and each can include up to eight states.

offices. Regarding the Red Cross strategy of relying on shared resources and volunteers instead of full-time dedicated staff in FEMA regional offices, FEMA officials noted that dedicated staff has proven to be a more reliable source for an ongoing relationship and interaction between agencies. They expressed concern that the lack of dedicated staff, frequent rotations, and inconsistent skill level of volunteers—used instead of full-time Red Cross staff—will hamper communications and may impede coordination efforts. These concerns are similar to the difficulties Red Cross ESF-6 staff faced during Katrina, as we noted in a previous review.[54]

Conclusions

Because the American Red Cross and other major voluntary organizations play such a vital role in providing mass care services during large-scale disasters, the importance of having a realistic understanding of their capabilities cannot be underestimated. FEMA has taken initial steps by having states assess their own capabilities and gaps in several critical areas and has completed an initial phase of this analysis. However, this broad assessment effort has yet to fully include the sheltering capabilities of many voluntary organizations and has not yet begun to address feeding capabilities outside of shelters. We understand that when a large-scale disaster strikes, some portion of mass care services will be provided by local voluntary organizations that did not specifically plan or prepare to do so, and that their capabilities cannot be assessed in advance. However, without more comprehensive data from voluntary sector organizations that expect to play a role, the federal government will have an incomplete picture of the mass care resources it could draw upon as well as of the gaps that it must be prepared to fill in large-scale and catastrophic disasters. Unless national assessments more fully capture the mass care capabilities of key providers, questions would remain about the nation's ability to shelter and feed survivors, especially in another disaster on the scale of Katrina.

To the extent that local, state, and federal governments rely on voluntary organizations to step in and care for massive numbers of affected people, the challenges these organizations face in preparing for and responding to rare—but potentially catastrophic—disasters are of national concern.

[54]During Katrina, the Red Cross's ESF-6 staffing strategies made it difficult for ESF-6 staff to develop and maintain effective working relationships with staff from other organizations. See GAO, *Hurricanes Katrina and Rita: Coordination between FEMA and the Red Cross Should Be Improved for the 2006 Hurricane Season*, GAO-06-712 (Washington, D.C.: June 8, 2006).

Reliant on volunteers and donations, many of the organizations we visited said that federal grant funding could help them better prepare for and build capacity for large-scale disasters, because they struggle to raise private donations for this purpose. Federal grants, while finite, are available to assist in capacity building, and voluntary organizations can be among those who receive federal grant funds from states and localities, according to FEMA officials. However, most of the voluntary organizations in our review have not received such funding, although they told us it would be beneficial. While there are many competing demands and priorities for such funds, clearer grant guidance could at least ensure that those making grant decisions consider voluntary organizations and VOADs as among those able to be subgrantees under these grants. Unless voluntary organizations are able to strengthen their capabilities and address planning and coordination challenges, the nation as a whole will likely be less prepared for providing mass care services during a large-scale disaster.

An additional area of concern is the expected role of the Red Cross in a catastrophic disaster of a scale that invokes the federal government's Catastrophic Incident Supplement. As the experience with responding to Katrina showed, it is important to agree on roles and responsibilities, as well as have a clear understanding of operating procedures in the event of a catastrophic disaster. However, FEMA officials said they have not yet revised or updated the Supplement, as required under the Post-Katrina Reform Act, with the result that the mass care section of the Supplement still reflects Red Cross's previous role as primary agency for mass care, and not its current role as a support agency under ESF-6. While both FEMA and the Red Cross told us they expected the Red Cross to play a support agency role in a catastrophic event—consistent with the ESF-6—unless this understanding is confirmed in writing and incorporated into federal planning documents for responding to a catastrophic event, the nature of that understanding cannot be transparent to the many parties involved in supporting mass care.

Finally, while it is too early to assess the impact of the changes in how the American Red Cross expects to coordinate with FEMA in fulfilling its responsibilities under ESF-6, its capacity to coordinate with FEMA is critical to the nation's mass care response in large-scale disasters. As a result, the continued implementation, evolution, and effect of these changes bear watching.

Summary of Previous Recommendations and Agency Comments

In our recently released report (GAO-08-823), we made three recommendations to FEMA. First, to help ensure that the Catastrophic Incident Supplement reflects the American Red Cross's current role under ESF-6 as a support agency for mass care, we recommended that the Secretary of Homeland Security direct the Administrator of FEMA to establish a time frame for updating the mass care section of the Supplement so that it is consistent with the changes in the ESF-6 under the new Framework, and no longer requires the Red Cross to direct federal government resources. In the meantime, FEMA should develop an interim agreement with the Red Cross to document the understanding they have on the Red Cross's role and responsibilities in a catastrophic event.

Second, to more fully capture the disaster capabilities of major voluntary organizations that provide mass care services, we recommended that the Secretary of Homeland Security direct the Administrator of FEMA to take steps to better incorporate these organizations' capabilities into assessments of mass care capabilities, such as FEMA's GAP Analysis, and to broaden its assessment to include feeding capabilities outside of shelters. Such steps might include

- soliciting the input of voluntary organizations, such as through NVOAD;
- integrating voluntary organization data on capabilities into FEMA's analyses; and
- encouraging state governments to include voluntary mass care organization data in studies.

Finally, to help these voluntary organizations better prepare for providing mass care in major and catastrophic disasters, we recommended that the Secretary of Homeland Security direct the Administrator of FEMA to clarify the Homeland Security Grant Program funding guidance for states so it is clear that voluntary organizations and local VOADs are among those eligible to be subgrantees under the program.

In commenting on a draft of GAO-08-823, FEMA agreed with our recommendations on establishing a time frame for updating the role of the American Red Cross in the Catastrophic Incident Supplement and clarifying federal guidance to states on potential recipients of preparedness grants. However, FEMA criticized certain aspects of our methodology, asserting that the draft did not address the role of states in coordinating mass care. As stated in our objectives, the focus of the report, by design, was on voluntary organizations' roles and capabilities in

disaster response. While focusing on voluntary organizations, the report also acknowledges the disaster response role and responsibilities of governments—local, state, and federal—under the National Response Framework. Accordingly, we interviewed local, state, and federal government emergency management officials, as described in the more detailed description of our report's methodology. FEMA also raised concerns about whether the voluntary organizations discussed in our report provided a comprehensive picture of mass care capabilities. However, our report does not attempt to address all the services and capabilities of the voluntary sector but acknowledges that other voluntary organizations also provide mass care and other services. It also includes the caveat that we do not attempt to assess the total disaster response capabilities in any single location we visited. FEMA also disagreed with our recommendation to better incorporate voluntary organizations' capabilities in assessments because the government cannot command and control private sector resources. However, FEMA is required under the Post-Katrina Act to establish a comprehensive assessment system to assess the nation's prevention capabilities and overall preparedness. A comprehensive assessment of the nation's capabilities should account as fully as possible for voluntary organizations' capabilities in mass care. Assessing capabilities more fully does not require controlling these resources but rather cooperatively obtaining and sharing information. Without such an assessment, the government will have an incomplete picture of the mass care resources it can draw upon in large-scale disasters. In its comments, FEMA also asserted that our report incorrectly assumes that if funding was made available, it would enable voluntary organizations to shelter and care for people in catastrophic events. However, we discuss potential federal funding in relation to voluntary organizations' preparedness and planning activities, not direct services. As noted in the report, such funding could be used to strengthen voluntary organizations' disaster preparedness, such as coordination with FEMA, training of personnel, and developing continuity of operations plans. FEMA also provided some technical clarifications, which we incorporated as appropriate.

The American Red Cross, in comments on a draft of GAO-08-823, further explained its role in providing post-evacuation sheltering under New York City's coastal storm plan and provided technical clarifications. We added information as appropriate to further clarify the American Red Cross's role in providing sheltering in New York City. We also provided excerpts of the draft report, as appropriate, to The Salvation Army, the Southern Baptist Convention, Catholic Charities USA, and NVOAD. The American Red

Cross, The Salvation Army, and NVOAD all provided us with technical comments, which we incorporated as appropriate.

Madam Chair, this concludes my remarks. I would be happy to answer any questions that you or other members of the subcommittee may have.

GAO Contact and Staff Acknowledgments

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Appendix I: Objectives, Scope, and Methodology

We designed our study to provide information on (1) what the roles of major national voluntary organizations are in providing mass care and other human services in response to large-scale disasters requiring federal assistance, (2) what steps these organizations have taken since Katrina to strengthen their capacity for service delivery, (3) what is known about these organizations' current capabilities for responding to mass care needs in such a large-scale disaster, and (4) what the remaining challenges are that confront voluntary organizations in preparing for such large-scale disasters. We focused our review on the following five major voluntary organizations based on their contributions during Hurricane Katrina and congressional interest: the American Red Cross, The Salvation Army, the Southern Baptist Convention, Catholic Charities USA, and the United Way of America. Since the United Way of America does not provide direct services in disasters, we did not include it in our analysis of recent improvements to service delivery, response capabilities, and remaining challenges. For our review of voluntary organizations' response capabilities, we limited our focus to the three organizations in our study that provide mass care services: the Red Cross, The Salvation Army, and the Southern Baptist Convention. To obtain information for all of the objectives, we used several methodologies: we reviewed federal and voluntary organization documents; reviewed relevant laws; interviewed local, state, and federal government and voluntary agency officials; conducted site visits to four selected metropolitan areas; and collected data on the voluntary organizations' capabilities.

Reviews of Governmental and Voluntary Agency Documents

We reviewed governmental and voluntary organization documents to obtain information on the role of voluntary organizations, recent improvements to service delivery, response capabilities, and remaining challenges. To obtain an understanding of the federal disaster management framework, we reviewed key documents, such as the 2008 National Response Framework, the Emergency Support Function 6—Mass Care, Emergency Assistance, Housing, and Human Services Annex (ESF-6), the 2006 Catastrophic Incident Supplement, and the 2007 National Preparedness Guidelines, which collectively describe the federal coordination of mass care and other human services. We also reviewed pertinent laws, including the Post-Katrina Emergency Management Reform Act of October 2006. In addition, we reviewed documents for each of the five voluntary organizations in our review, which describe their roles in disasters and explained their organizational response structures. These documents included mission statements, disaster response plans, and statements of understanding with government agencies and other voluntary organizations. We also reviewed key reports written by federal

agencies, Congress, voluntary organizations, policy institutes, and GAO to identify lessons learned from the response to Hurricane Katrina and steps voluntary organizations have taken since then to improve service delivery.

Interviews of Federal Government and National Voluntary Organization Officials

We interviewed federal government and national voluntary organization officials to obtain information on the role of voluntary organizations, recent improvements to service delivery, response capabilities, and remaining challenges. At the federal level, we interviewed officials from the Federal Emergency Management Agency (FEMA) in the ESF-6 Mass Care Unit, the FEMA Grants Office, and the Disaster Operations Directorate. We also interviewed the executive director of the National Voluntary Organizations Active in Disaster (NVOAD). We interviewed these officials regarding the role of the voluntary organizations in disaster response, grants and funding offered to voluntary organizations, voluntary organization and government logistics in disasters, assessments of capabilities, and the types of interactions each of them has with the organizations from our review. We also interviewed national voluntary organization officials from the five organizations in our review about the roles of their organizations in disaster response, improvements the organizations had made to coordination and service delivery since Hurricane Katrina, their organizations' capabilities to respond to disasters, and what remaining challenges exist for the organizations in disaster response.

Visits to Four Major Metropolitan Areas

We visited four metropolitan areas—Washington, D.C.; New York, New York; Miami, Florida; and Los Angeles, California—to review the roles, response structures, improvements to service delivery, response capabilities, and challenges that remain for the selected voluntary organizations' in these local areas. We selected these metropolitan areas based on their recent experiences with disaster, such as September 11; their potential risk for large-scale disasters; and the size of their allotments through the federal Urban Areas Security Initiative grant program. The metropolitan areas that we selected also represent four of the six urban areas of the country considered most at risk for terrorism under the 2007 Urban Areas Security Initiative.

During our visits to the four metropolitan areas, we interviewed officials from the five voluntary organizations, local and state government emergency management agency officials, the heads of the local Voluntary Organizations Active in Disaster (VOAD), and FEMA's regionally based liaisons to the voluntary sector, known as voluntary agency liaisons (VAL).

During our interviews, we asked about the roles and response structures of voluntary organizations in disaster response, improvements the organizations had made to coordination and service delivery since Hurricane Katrina, the organizations' capabilities to respond to disasters, and what challenges exist for the organizations in disaster response.

Capabilities Data and Catastrophic Estimates

To review voluntary organizations' sheltering and feeding capabilities, we collected data through interviews and written responses from the three organizations in our study that provide mass care: the Red Cross, The Salvation Army, and the Southern Baptist Convention. By capabilities we mean the means to accomplish a mission or function under specified conditions to target levels of performance, as defined in the federal government's National Preparedness Guidelines. We collected data on both their nationwide capabilities and their locally based capabilities in each of the four metropolitan areas we visited. To obtain capabilities data in a uniform manner, we requested written responses to questions about sheltering and feeding capabilities from these organizations in the localities we visited, and in many of these responses, voluntary organizations described how they derived their data. For example, to collect data on feeding capabilities, we asked voluntary organization officials how many mobile kitchens they have and how many meals per day they are capable of providing. To assess the reliability of the capability data provided by the voluntary organizations, we reviewed relevant documents and interviewed officials knowledgeable about the data. However, we did not directly test the reliability of these data because the gaps between capabilities and estimated needs were so large that greater precision would not change this underlying finding. It was also not within the scope of our work to review the voluntary organizations' systems of internal controls for data on their resources and capabilities.

To identify potential needs for mass care services, we used available estimates for catastrophic disaster scenarios in each of the selected metropolitan areas: Washington, D.C.—terrorism; New York, New York—hurricane; Miami, Florida—hurricane; and Los Angeles, California—earthquake. We reviewed federal, state, and Red Cross estimates of sheltering and feeding needs resulting from these potential catastrophic disasters:

- *Federal catastrophic estimates*—We reviewed the earthquake estimates from the Target Capabilities List that were developed by the Department of Homeland Security (DHS) after an in-depth analysis of the Major Earthquake scenario in the National Planning Scenarios. The National

Planning Scenarios were developed by the Homeland Security Council—in partnership with the Department of Homeland Security, other federal departments and agencies, and state and local homeland security agencies. The scenario assumes a 7.2 magnitude earthquake with a subsequent 8.0 earthquake occurs along a fault zone in a major metropolitan area with a population of approximately 10 million people, which is approximately the population of Los Angeles County.

- *State catastrophic estimates*—We reviewed catastrophic hurricane estimates from the Florida Division of Emergency Management's Hurricane Ono planning project. The project assumes a Category V hurricane making landfall in South Florida, which has a population of nearly 7 million people.

- *Red Cross catastrophic estimates*—We reviewed catastrophic estimates from the Red Cross's risk-based capacity building initiative. To develop these estimates, the Red Cross worked with state and local officials and other disaster experts to develop "worst case" disaster scenarios in six high-risk areas of the country, including the four metropolitan areas in our study. The scenarios for these four metropolitan areas were: a 7.2 to 7.5 magnitude earthquake in Southern California; a chemical, biological, radiological, nuclear, or major explosion terrorist attack in the Washington, D.C. region; a Category III/IV hurricane in the New York metropolitan area; and a Category V hurricane in the Gulf Coast.

To identify general findings about nationwide preparedness, we compared the capabilities data provided by the voluntary organizations to these catastrophic disaster estimates. We did not attempt to assess the total disaster response capabilities in any single location that we visited or the efficacy of any responses to particular scenarios, such as major earthquakes versus hurricanes.

We conducted this performance audit from August 2007 to September 2008 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.

Related GAO Products

Voluntary Organizations: FEMA Should More Fully Assess Organizations' Mass Care Capabilities and Update the Red Cross Role in Catastrophic Events. GAO-08-823. Washington, D.C.: September 18, 2008.

Emergency Management: Observations on DHS's Preparedness for Catastrophic Disasters. GAO-08-868T. Washington, D.C.: July 11, 2008.

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National Disaster Response: FEMA Should Take Action to Improve Capacity and Coordination between Government and Voluntary Sectors. GAO-08-369. Washington, D.C: February 27, 2008.

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September 11: More Effective Collaboration Could Enhance Charitable Organizations' Contributions in Disasters. GAO-03-259.Washington, D.C.: December 19, 2002.

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STATEMENT OF

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BEFORE THE

SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS,
AND EMERGEGENCY MANAGEMENT
OF THE
TRANSPORTATION AND INFRASTRUCTURE COMMITTEE

U.S. HOUSE OF REPRESENTATIVES

**"Response to the 2008 Hurricane Season and the
National Disaster Housing Strategy:
Housing Citizens in a Post-Disaster Period."**

SEPTEMBER 23, 2008

**"Response to the 2008 Hurricane Season and the National Disaster Housing Strategy:
Housing Citizens in a Post-Disaster Period."**

Chairman Holmes Norton, ranking member Mica, and other distinguished members of the subcommittee. Thank you for inviting FEMA to testify on our response to the 2008 Hurricane Season and the National Disaster Housing Strategy (NDHS).

In the three years since the nation was affected by Hurricanes Katrina and Rita, FEMA has worked diligently with our State and local partners to establish stronger partnerships, a much higher level of preparedness and improved levels of coordination when assisting communities to prepare for, respond to and recover from hurricanes.

We have sent a strong message of personal preparedness, to encourage individuals to prepare themselves for disaster events, recognizing that even when the Federal, tribal, State and local governments work perfectly in sync – it is not enough. At the same time, we have continued to reform the agency and work with our partners in an effort to develop a culture of preparedness in America, such that every level of government is clearer on the roles and responsibilities it has in emergency preparedness and response and can work effectively with the private and non-profit sectors.

The change in FEMA is self evident. This is not just FEMA's view. On September 17, 2008, just four days after Hurricane Ike, Representative David Reichert, in an editorial said the following:

> Today, we see much of the same devastation, heartbreak and tragedy in South Texas. But there is a key difference -- there is not a staggering loss of life, nor are there loads of television images of people begging for help, food and water. The latest hurricanes have shown the lessons learned from 2005. While there is more progress to be made, the coordination between every level of government, and regional FEMA offices has greatly improved, which helped all law enforcement officials and first responders prepare for response and recovery.

This improved level of performance did not just happen by natural evolution. It is the product of experienced leaders, the investment of resources, a renewed focus on partnerships at every level of government and with the private and non-profit sectors, and the dedicated efforts of thousands of FEMA professional men and women. It is also the product of a very clear vision for a "New FEMA" and a commitment to making FEMA the Nation's preeminent Emergency Management and Preparedness Agency. This vision contained two very important elements.

- First, it put forward a new focus on leaning further forward in order to deliver more effective assistance to States, communities and disaster victims more quickly.

- Second, it identified specific objectives to achieve the Vision, including goals to:

  - Coordinate and marshal an effective national response,
  - Speed the recovery of communities,
  - Strengthen our partnership at the Federal level, with State and local governments and the private sector; and

- Instill public confidence in the Federal government's ability to respond.

Over the past three years, that vision – driven by FEMA leadership in Washington and in every one of our regional offices – has guided our plans and our actions. We are building a New FEMA which is dedicated to delivering the support and aid necessary without bureaucratic red-tape delaying essential services. We are focusing on partnerships across Federal departments and agencies, with States and local communities, with non-governmental and volunteer agencies, with the private sector, and with individual citizens – all to ensure a more effective national response through cooperation and collaboration,.

Earlier this year, FEMA released the National Response Framework, which provides a clear picture of the resources and assets available through the Federal government and clarifies the agencies and programs that are brought to bear in disaster response and their role in support of State and local officials. After the 2005 hurricane season, there were calls to reform FEMA, and FEMA responded, retooling our response capabilities, housing efforts, and logistics partnerships to ensure that we are able to meet the emergency needs of individuals and communities affected by disasters.

FEMA has worked with vulnerable States to identify gaps, and areas where they will most need support, recognizing that one size does not fit all and any response will be tailored to an individual State's needs. Additionally, we have developed teams that actively exercise and interface with States and local government in advance of disaster events and stand ready to be deployed to the disaster area, arriving on the ground within hours of a storm or other disaster striking. These teams provide real-time situational awareness and visibility on issues and a point of contact for State officials to communicate their need for resources to FEMA.

FEMA has improved its ability to deliver assistance. This is reflected in our alliances with logistics partners within the Federal family and with the private sector, clarified guidance to States on emergency life sustaining needs, and our strengthened ability to manage the logistics pipeline and get needed supplies and resources to a disaster site more quickly and efficiently.

Additionally, on the disaster applicant front, FEMA is focused on providing assistance in an easily accessible and coordinated manner through simple and effective delivery mechanisms. FEMA expanded its capability to register those in need of aid and to have mobile registration centers that can be on hand to help those without access to phones or computers. At the same time, we have strengthened our ability to detect and limit fraud and abuse of the assistance programs. FEMA continues to work with Federal, State, and voluntary partners to build a robust system for evacuation, sheltering and housing, including our collaboration with the American Red Cross to implement the National Shelter System. FEMA established a National Emergency Family Registry and Locator System and a National Emergency Child Locator Center to help those displaced find their loved ones. FEMA instituted a new policy to help those with pets safely evacuate a disaster area.

In striving to achieve the vision for New FEMA, we have been supported by President Bush, by Secretary Chertoff and by you and your colleagues in Congress – all of whom have seen first-hand the needs on the ground and who have provided us with additional authority, people and

fiscal resources with which we can better accomplish our mission. The return on this investment in FEMA has been to the benefit of the Nation, in terms of a more effective response to and recovery from disasters.

While this hearing draws focus only on the two most recent storms, it is important to note that beginning with the Midwest floods of May 2008, through the 2008 Hurricane Season, FEMA has responded to thirty-one major disaster declarations affecting 23 States and territories. Additionally, we have responded to nine emergency disaster declarations and provided twenty-one Fire Management Assistance declarations to States to support fire fighting activities.

In every disaster event, we proactively engage and coordinate with the affected States and local jurisdictions and work hard to ensure that Federal assistance is delivered as quickly and as seamlessly as possible. As we move forward, we continue to work to fine tune our operational capabilities and incorporate feedback from all of our stakeholders to ensure that we have a strong working relationship with all States. These improvements can be seen in FEMA's response activities, acquisitions management, staffing, recovery activities, as well as our logistics management.

Response: Life Saving and Life Sustaining Measures

Immediately following a major disaster or emergency that overwhelms communities and States, FEMA coordinates and provides the core Federal disaster response capability needed to save lives, reduce suffering, and protect property.

The responses to the many disasters we have faced over the past couple of years have provided us an opportunity to implement and evaluate many of FEMA's new/enhanced operational capabilities. Upgrades to our national and regional operations centers have increased our operational capability by providing seamless connectivity with other Federal departments and agencies and State governments. This has facilitated our abilities to develop situational awareness and a common operating picture, enabling immediate decision-making. The upgrades to the National Response Coordination Center (NRCC) at FEMA headquarters have given us new and improved abilities to coordinate and exchange information. For example:

- FEMA holds regular and ongoing video teleconferences (VTCs) to synchronize response efforts between Federal responders, States affected by and States supporting those affected by disasters, the Joint Field Offices (JFO), and the Regional Response Coordination Centers (RRCC).
- More than 30 organizations participate by video and often more than 50 participate by audio in daily, national VTCs. This includes substantial and direct involvement of DHS components and other interagency partners. For example, the U.S. Forest Service provided periodic fire weather reports during VTCs convened to respond to California wildfires. This was a first for FEMA and proved to be invaluable in supporting wildfire response efforts. Through improved coordination with our partners, facilitated by the NRCC, we have also done a better job leveraging existing capabilities and reaching faster consensus on important issues such as:

- using information from the Infrastructure Protection staff to inform critical infrastructure decisions;
- using CBP aerial imagery to assess affected areas;
- requesting transportation weight, motor carrier, fuel, and other waivers to expedite the response.

FEMA manages multiple disaster response teams and assets that can be rapidly deployed to support State and local response operations including Urban Search and Rescue (US&R), Mobile Emergency Response Support (MERS), Emergency Response Teams (ERTs), and Incident Management Assistance Teams (IMATs). Our teams have demonstrated new and improved flexible and scalable response capabilities during the responses to multiple disasters in 2007 and 2008. Our teams have deployed to, and redeployed to, as necessary, States, incident scenes, and Joint Field Offices. In the response to Hurricane Gustav, nine US&R Task Forces were deployed to support Texas and Louisiana and eight Task Forces were deployed to support Georgia, Florida, Alabama, and Mississippi. For Hurricane Ike, nine Task Forces were deployed to Texas and six to Louisiana. The US&R Task Forces supported the States in critical search and rescue operations.

In accordance with the Post Katrina Emergency Management Reform Act (PKEMRA), FEMA has developed and deployed the IMAT, the next generation of rapidly deployable interagency national and regional emergency response "strike" teams that are the first Federal presence on scene, serve as liaisons to State and local officials, and provide situational awareness and needs assessments. One National and three Regional IMATs are operational. A second National and fourth Regional Team will be launched by year's end. FEMA is working toward having three National and ten Regional teams. The National and Regional IMATs were instrumental in providing on-scene situational awareness during recent hurricane responses. All currently existing IMATs were deployed to support the responses in Texas and Louisiana. Critical on-scene command, control, and communications support was provided by IMATs for Houma, Louisiana government officials and the Mayor of Galveston, Texas during the recent hurricanes. US&R Task Forces deployed for hurricane responses and supported Search and Rescue missions -- more than 3,000 rescues in both Louisiana and Texas.

FEMA has instituted operational planning as a core Agency competency. In 2007, 15 operational planners were hired at FEMA headquarters to provide capability to perform sophisticated operational analyses, analyze trends, and improve planning for response to ongoing and future events. We are hiring additional staff this year to meet HSPD-8, Annex 1 requirements to develop interagency plans for prevention, protection, response and recovery activities related to the National Planning Scenarios and to augment capabilities in the FEMA Regions and Area Offices. With new staff, there is now greater depth and capability to prepare operational plans and conduct crisis action planning to lead and support a national all-hazard emergency management response. In 2007 and 2008, the new Operational Planners:

- provided improved planning capability in the areas of current and future planning;
- facilitated extensive evacuation coordination/planning between the Regions and the States;
- synchronized interagency planning with the DHS Incident Management Planning Team and U.S. Northern Command;

- supported responses to the Midwest Floods by projecting population impacts and needs before the flood wave struck;
- provided current and future operational planning analyses to inform decision makers by focusing more closely on performance metrics; and
- developed and implemented innovative planning strategies to address issues such as the Regional Planning Strategy used to respond to Hurricanes Gustav and Hanna concurrently.

FEMA has also greatly improved its evacuation planning capabilities. We have completed a Mass Evacuation Incident Annex to the National Response Framework and a supporting Supplement is under review. There has been greater coordination of medical evacuation and assessment of public health and medical community plans. FEMA is more successfully coordinating medical special needs evacuation planning with DoD, HHS, and the States, as evidenced by the recent large scale medical evacuations from Louisiana and Texas. Through this coordination with our partners, more than 600 pre-arranged ambulances were available to Louisiana for Hurricane Gustav and more than 300 ambulances were made available to support Texas for the Hurricane Ike response. Special DoD aircraft were also deployed to help evacuate critically ill patients.

We have provided more support to the Gulf Coast regional evacuation planning effort, and in the future greater emphasis will be placed on regional evacuation planning for other parts of the country. For Hurricane Gustav, we implemented the Gulf Coast evacuation plan developed over the past two years in coordination with the State of Louisiana and evacuated more than 2 million people in 48 hours to multiple receiving States using multi-modal evacuation sources including air, train, and bus. Approximately 2,025 persons were evacuated from New Orleans to Memphis on three AMTRAK trains. Air evacuation for an additional 6,104 persons was accomplished on 56 flights from New Orleans to Ft. Smith, Arkansas; Knoxville and Nashville, Tennessee; and Louisville, Kentucky.

Another major area of improvement is in Mission Assignments. During response operations, FEMA uses the interagency "Mission Assignment" (MA) process to task and reimburse other Federal Departments and Agencies to provide essential disaster response assistance. Greater emphasis has been placed on the MA process to include development of Pre-Scripted Mission Assignments (PSMAs), a mechanism used to facilitate rapid response. In 2006, FEMA had a total of 44 PSMAs with 2 Federal agencies in place for support for Hurricane Season. Since then, FEMA has increased the number of PSMAs in place to 223 with 31 agencies. This support ranges from heavy-lift helicopters from DoD, to generators from the USACE, to Disaster Medical Assistance Teams from HHS, and Emergency Road Clearing Teams from the U.S. Forest Service.

Working with the States to identify the gap between State resources and needs, the 2008 GAP analysis will focus on all hazards for all States. The Gap Analysis Program was developed using a consistent, national approach to determine asset gaps at the local, State, and National levels. The initial focus in 2007 was on eight areas: debris, interim housing, sheltering, evacuation, commodity distribution, medical, and communication, and fuel in 18 hurricane-prone States.

GAP has now been expanded nationwide to address all-hazards. The 2008 All-Hazards Gap Analysis Template is being applied in all 10 FEMA Regions.

Since the Gap Analysis Program pre-identified State resource shortfalls in each hurricane-prone State, the data and insights provided by the program were critical in enabling a more effective response to this year's hurricane responses on the Atlantic and Gulf Coasts. It saved valuable time in responding because FEMA already knew the States' needs.

Based on the National Planning Scenarios, catastrophic planning initiatives are being implemented in Louisiana, the New Madrid Seismic Zone, Florida, and California. In Louisiana, the substantial post-Hurricane Katrina planning culminated in one of the largest mass evacuations in history (New Orleans). In Florida, while preparing for and responding to Tropical Storm Fay and Hurricane Hanna, the State implemented and used the Lake Okeechobee Plan developed in preparation for and response to a Category 5 Hurricane (CAT5) in Miami. This plan was developed as part of FEMA's Catastrophic Planning Initiative.

FEMA can now rapidly deploy telecommunications assets during disaster response to support communications operability and interoperability. We are upgrading outdated equipment and procuring tactical response vehicles and have also established Regional Emergency Communications Coordination (RECC) Work Groups in a majority of the Regions to facilitate communications planning and response capabilities. We provided direct assistance to Gulf and East Coast States in developing State and regional communications plans for hurricane season. Our MERS assets continued to provide communications support to States/locals, as well as our response teams and other interagency response teams in 2007 and 2008. For example, during Hurricane Ike, MERS:

- Provided mobile emergency communications infrastructure (IRV) to the Mayor of Galveston Island to support continuity of local of government.
- Supported maintenance and repair of communications equipment for local first responders on Galveston Island.
- Repaired a main repeater in Houston Reliance Center to maintain communications capabilities for the Texas Highway Patrol.
- Supported Texas Task Force Ike with land mobile radio communications to link the Task Force with the Interagency.
- Provided command and control support to government of Houma, Louisiana.
- Supported communications capabilities of the Louisiana State Police by providing a 700 MHz radio system.
- Supported Terrebonne Parish in Louisiana with a 800 MHz radio system tower providing communications connection for the Parish.

Disaster Staffing: Creating a Ready Workforce to Meet Disaster Needs

Recognizing that our disaster reservists are the backbone of our agency – routinely accounting for 70 to 90 percent of any disaster response and recovery effort, FEMA created the Disaster Reserve Workforce Directorate in 2008. This Directorate has primary responsibility for the development, deployment and support of a disaster workforce ready for the national, all-hazard

response needs of FEMA program managers and regional leadership. This office is led by a long-time FEMA senior executive and staffed with senior managers with leadership experience in managing other successful reserve programs.

This Division is dedicated to developing and implementing initiatives which will dramatically contribute to the overall disaster response and recovery capability of FEMA. Current initiatives of the office include assisting in the standardization, credentialing and development of uniform guidelines and policy to govern the workforce. FEMA recognizes that its disaster workforce is dedicated and self-sacrificing in its response to the nation's call for help and it is incumbent upon the Agency to provide standardization of administration and formal training that will further prepare and motivate reservists, attract more dedicated individuals to service, and provide a force with consistent and standardized training and credentialing.

The number of disaster reservists in the Disaster Reserve Workforce continues to remain steady. There are currently 3,837 reservists deployed in support of disaster response and recovery throughout the United States. On the Gulf Coast and other hurricane affected areas, there are 1,831 reservists serving in response to the tremendous need. That response includes 673 reservists in support of Hurricane Ike. Of those not presently in the field, over 1,200 have recently returned from disaster operations. As a result of a new initiative implemented by FEMA Regions and Headquarters, our daily number of available reservists for deployment is steadily increasing.

To achieve a ready workforce FEMA will continue to review policies and develop ways to make all components of our workforce more equitable as they serve side by side. Additionally, we have begun the effort to develop standardized training and credentialing which will transform our force into a competent, reliable, and nimble Disaster Reserve Workforce; a national asset ready to deploy as an all-hazard response and recovery team anytime, anywhere.

Acquisition Management: Leaning Forward to Make Better Business Decisions and Partnerships

FEMA's goal is to use competitive strategies while also providing local and small businesses a competitive advantage whenever possible.

To date in FY 08, FEMA has competed approximately 81% of its procurement dollars. FEMA is proud of this accomplishment, and we will strive to uphold our commitment to competitive contracting. In addition, FEMA has awarded an estimated $393 million to small businesses so far this FY.

Moreover, an estimated $940 million in disaster relief funding has been placed on contract by FEMA in FY 08. An estimated $235 million or 25% was provided under contract to small businesses throughout the nation. Please note however that the bulk of the $235 million in disaster relief funds placed on contracts with small businesses in FY 08 (i.e., an estimated $125 million) was in support of recovery efforts related to the Hurricanes Katrina and Rita disasters. As of September 17, 2008, FEMA has awarded approximately $22.8 million in disaster recovery work for Hurricane Gustav to local vendors and approximately $2 million for Hurricane Ike.

Enhanced Acquisition Capability and Capacity
FEMA's Office of Acquisition Management has grown from a staff of approximately 35 Contracting positions to approximately 235 Acquisition professionals. The office has also matured through the creation of three separate branches that support the acquisition life-cycle and provide the framework for FEMA's acquisition processes and practices. The Acquisition Operations Branch provides pre- and post-award contracting and acquisition support and includes a staff of approximately 180 Contracting Officers, Contract Specialists, Procurement Analysts, and Support Staff.

Pre-Positioned/Pre-Competed Contracts
FEMA has implemented several pre-positioned contracts in response to the need for advance planning and preparation. FEMA currently has approximately 75 pre-positioned contracts in its inventory. For Gustav, FEMA activated its ground and air ambulance evacuation services contract with American Medical Response, Inc.; its rail evacuation services contract with AMTRAK; and its pre-positioned housing inspection services contract with PaRR Inspection Services.

Following Katrina, there was increased focus surrounding FEMA's Individual Assistance-Technical Assistance Contracts (IA-TAC). Recent reports have recognized that FEMA has overcome many of the challenges identified under IA-TAC I. There are currently five IA-TACs that were competed under IA-TAC II in 2006 to support the response to and recovery from disasters. The contractors are able to bring the breadth and depth of response and recovery services disaster victims may require from FEMA, to include: Mass Care/Sheltering support; site assessments; design and development of temporary Group Housing Sites; installation of temporary housing; and general Housing operations support. Task orders are now competed within the five contracts so that the requirements, as they arise, are awarded under fair opportunity procedures. Once the housing mission in response to Hurricanes Gustav and Ike are defined, the scope of any potential IA-TAC II task orders can be developed. The task orders will be for the immediate support needed to establish the housing mission. However, housing operations and long-term support, such as maintenance and deactivation of temporary housing units or group sites, will ultimately transition to local contractors for execution.

Increased Contracting Visibility in the Field
When the scale of a disaster merits increased on-sight oversight of field operations, FEMA designates and deploys an Acquisition Advisor to the JFO. The purpose and role of the Acquisition Advisor is to counsel the Federal Coordinating Officer (FCO) on the acquisition process and regulations, and provide oversight to ensure internal controls are in place and protocols are followed to avoid fraud, waste, abuse, and unauthorized commitments. The advisor also reaches back to the Headquarters office to ensure greater coordination of effort and use of FEMA acquisition staff both from Washington, DC and in the field.

Recently, due to the increased staffing levels, FEMA was able to pre-deploy contracting professionals in advance of declared disasters events. This enabled the acquisition staff to be prepared to respond and provide immediate support to the field operations staff - while the

FEMA contracting staff at Headquarters executed against the pre-positioned contracts for other mission needs.

Enhanced Contract Oversight
FEMA has developed a robust Contracting Officer Technical Representative (COTR) program that tracks and monitors the skill levels of personnel trained as COTRs, enables FEMA's programs and COTRs to quickly identify personnel with the appropriate COTR skills, and provides the necessary support to the COTRs as they perform their job duties. Currently, there are 1,008 certified FEMA COTRs. FEMA is also implementing an initiative to tier the COTR certification process, which recognizes that not all COTRs are alike and that certain contracts require COTRs with higher skill levels and experience to ensure proper contract oversight.

Recovery: Leveraging the Capabilities across all Sectors of Government to Assist Individuals in Recovering

One major shift in our business philosophy is that FEMA recognizes that response and recovery efforts often operate on a continuum. While some believe that there is a clear beginning and end to the response and recovery phases of a disaster, we have come to understand that successful recovery for individuals affected by disasters requires early collaboration between State and local governments, continued planning and evaluation of housing options and needs, and leveraging of a variety of services and programs to move applicants forward in their desire for self-sufficiency and sustainability following a major disaster.

An immediate challenge following a major disaster is ensuring that the emergency mass care needs of individuals are met. Since the passage of PKEMRA and the revision of the NRF, the Emergency Support Function (ESF) #6 – Mass Care, Emergency Assistance, Housing, and Human Services Annex has made many improvements. The Federal role in ESF #6 has been expanded, designating FEMA as the sole Primary Agency responsible for mass care and added additional authorities and responsibilities for evacuation; tracking and family relocation; pet rescue and shelter considerations; and medical and specialized accommodations for sheltering. In a large mass care operation requiring Federal support to a State, FEMA will direct and coordinate the provision of necessary support from Federal partner agencies, and others, as well as with our longstanding partner, the American Red Cross.

Our efforts and improvements in service delivery of FEMA's recovery programs on behalf of disaster victims include:

- **Housing Inspections** – Prior to declaration, housing inspectors are mobilized; they arrive in the affected areas immediately after the declaration and inspections began immediately following the disasters.

- **Fraud Controls** – The identity verification controls that FEMA has integrated into the Registration Intake process have proven quite effective. Identity verification controls place authenticated 99% of applicants at the time they registered for assistance.

- **Registration Intake** – Special Needs scenarios were added to FEMA's registration intake script beginning in 2008. The Special Needs questions are designed to obtain information from applicants about any loss of support required for mobility, sight, hearing or taking care of themselves or members of their household as a result of the disaster. The information about applicants' special needs is transmitted to the JFOs for appropriate follow-up.

- **National Processing Servicing Center (NPSC) Operations** – The NPSC have the capability to expand operations to support 24/7 staffing immediately a declaration.

- **Joint Housing Solutions Group and the Development of Comprehensive Housing Plan -** FEMA's Joint Housing Solutions Group partnered with Federal, State and local governments, and voluntary agencies, to develop a comprehensive housing plan that includes identifying the most heavily impacted areas, on-the-spot registration of shelter populations, analyzing shelter and mass care operations, transitioning applicants to temporary housing, individual case management for applicants with major damage to their primary residences, identifying available rental resources, assessing and assisting special need populations, and working with local voluntary agencies to identify additional assistance resources available to residents.

- **National Emergency Family Registry and Locator System (NEFRLS) and the National Emergency Child Locator Center (NECLC)** – These systems are activated immediately following disaster declarations, facilitating the reunification of displaced family members. These services help local and tribal governments and law enforcement agencies track and locate children who have become separated from their parents or guardians.

- **Mass Care Deployment to State Operations Center** – In advance of disaster declarations, FEMA has deployed a mass care staff member to the State Operations Center to promote situational awareness and enhance coordination with the American Red Cross and reporting of shelter statistics. Additionally, FEMA deployed **mass care and donations management specialists** in support of State and local sheltering operations, implementation of the National Shelter System, donations management, and delivery of mass care services.

- One of the most recent initiatives in the Disaster Housing arena is the launch of the **multi-agency National Disaster Housing Task Force (NDHTF).** As members of the NDHTF, the agencies and organizations committed to fully supporting the Unified Recovery Strategy established by the California Housing Task Force. The NDHTF quickly responded to and filled requests for resources, staff, and information; worked to de-conflict any policy, statutory or regulatory issues; and identified housing solutions to fill any gaps in available housing assistance.

- To provide technical assistance to the JFO, FEMA deployed the **FEMA Disabilities Coordinator**. The Disabilities Coordinator has been invaluable advising mass care as

well as DHOPs regarding unique issues and concerns facing those disaster victims with special needs.

- All affected States utilized the web-based volunteer and donations management application that was developed by **Aidmatrix** Foundation. This new resource tool was built to support State emergency management and FEMA's voluntary agency partners. The Aidmatrix system was very instrumental in helping the donations group acquire and disburse items.

Logistics Management: Leaning Forward to Support States' Needs for Emergency Assistance

A key element of FEMA's disaster response and recovery comes in the form of assisting States in meeting their emergency needs for commodities, services and goods.

In April, 2007, as part of the FEMA's reorganization, the Logistics Branch was elevated to Directorate level within the Agency. The Logistics Management Directorate (LMD) is FEMA's major program office responsible for policy, guidance, standards, execution and governance of logistics support, services and operations. Since that time, LMD has strengthened its business practices by enhancing its relationships with logistics partners for a more coordinated logistics response operation.

Responses to declared disasters this year, including Hurricanes Gustav and Ike, have validated the new business processes strategy. FEMA Logistics continually reached out to our partners to assist in the responses. Emergency meals have been sourced and delivered by the Defense Logistics Agency, cots and blankets sourced and delivered by the General Services Administration and water sourced and delivered by the U.S. Army Corps of Engineers. These commodities have been in addition to what is stocked in the FEMA Distribution Centers, strategically located in both the United States and U.S. Territories. The following are examples of how the coordinated logistics response operation has become more efficient and effective.

In September 2007, LMD established a Distribution Management Strategy Working Group, comprised of its Federal, private and non-governmental organizations logistics partners, to conduct a comprehensive analysis and develop a comprehensive distribution and supply chain management strategy. Partners in this group include GSA, DOD (USNORTHCOM)/DLA, HHS, USACE, USDA USFS, and Mass Care (ESF6). The Resource Management Group, a sub-working group, has been established to assist in resourcing disaster requests for Logistics supplies and services.

LMD has established mission-essential standby contracts and Inter-agency Agreements (IAAs) that provide an enhanced logistics readiness capability for contractor support such as: fleet management/driver support; vehicle maintenance contract; supplies and services IAA / General Services Administration; Transportation Services MOA/General Services Administration; National bus, rail, and ambulance evacuation support; Blue Roof Sheeting blanket purchase agreement; supplies and services IAA/Defense Logistics Agency; Asset visibility; Logistics Management Transformation Initiative (LMTI); and base camp support contract.

Overall, the Federal response to the recent disasters has been organized and effective considering the magnitude, timing, and proximity of Hurricanes Gustav and Ike, and the requirement to assist with POD distribution in Louisiana and Texas. The Federal coordination of these events has shown an unprecedented level of collaboration and cooperation between all partners – Federal, State, local, tribal, and voluntary organizations. FEMA begins monitoring an event early on, activates affected Regions and the National Response Coordination Center, hosts daily video teleconference calls with Federal and State interagency partners, reviews and works with States in the formulation of Governors' requests for major disaster declarations, alerts our national response teams, pre-stages resources and commodities, and deploys our housing task force; every effort FEMA makes is strategic, proactive and aimed at anticipating needs of the States and local governments before they arise. In this way, FEMA is moving forward to become the preeminent emergency management agency the American public needs and deserves.

National Disaster Housing Strategy: Cornerstone of Disaster Recovery:

One of the biggest areas for lessons learned for FEMA was in the area of disaster housing. While in the vast majority of disasters, housing needs are met through financial assistance through FEMA's traditional programs, in a catastrophic disaster event, the needs and challenges associated with disaster housing are magnified. When severe storms, tornadoes, hurricanes, flooding, etc, impact an area, many people are forced to evacuate, businesses and homes are impacted, and communities are devastated. For the individuals affected, there are few events more traumatizing and gut-wrenching than the sudden loss of their homes. In the immediate aftermath of the event, as individuals begin the recovery process, they are faced with the loss of community, emotionally impacted, and depending on their level of preparedness, they are likely to be financially distressed. For most disaster victims, the prolonged displacement and agonizing uncertainties surrounding the rehabilitation process can exact a heavy toll, even if their homes can ultimately be repaired, as they sort through the maze of assistance available, insurance claims, and contractor decisions. Multiply such distress a hundred, thousand, or ten thousand-fold, and the compound impacts of the resulting mass displacement will rupture the continuity not only of the households directly affected, but their wider communities and regions, as well. And FEMA, along with our other Federal partners, States, and voluntary agencies go into these environments to assist residents and communities in meeting their immediate, emergency needs, including housing.

Responding to the individually unique and collectively diverse housing needs of disaster victims, while meeting the needs of the State and local government and complying with Federal law concerning the provision of disaster housing is rarely a simple process. No two disasters are exactly the same, and neither are any two disaster victims. Accordingly, FEMA routinely goes to great lengths to interview victims and qualitatively establish the requirements and preferences of every eligible disaster victim who expresses a need for housing assistance. While there are no magic formulas in the disaster housing business, FEMA and our Federal and industry partners are committed to expanding and improving our capabilities and options for delivery of temporary housing. I will briefly discuss some of those initiatives, as well as the guiding principles under

which such assistance will be delivered. However, no matter how robust the combined capabilities and forms of assistance available through the government, it bears emphasizing that governmental assistance complements, but cannot replace, the safety net that households can obtain with an appropriate insurance policy. While we recognize that maintaining adequate insurance may require difficult financial sacrifices on the part of many households; the consequences of not maintaining insurance can be far more costly and many times more dire.

EXISTING AUTHORITY TO PROVIDE DISASTER HOUSING ASSISTANCE

FEMA derives its authority to provide housing assistance to victims of a presidentially declared emergency or major disaster from Section 408 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Under this section, the President may provide both financial and direct (i.e., material) housing assistance to eligible disaster victims whose homes are destroyed, rendered uninhabitable, or, for individuals with disabilities, rendered inaccessible by the disaster. By law, FEMA is authorized to provide, for up to eighteen months, temporary housing to meet the immediate disaster needs of eligible applicants. This assistance is provided at no cost to the State where the disaster was declared.

FORMS OF HOUSING ASSISTANCE

We typically rely on practical housing solutions that allow disaster victims to remain in or near their pre-disaster residences, and maximize the use of existing housing stock in a community. Considerations which guide the provision of disaster housing include timeliness, cost effectiveness, and proximity to their pre-disaster residences or neighborhoods. While these considerations may sometimes conflict, resulting in some necessary compromise among them, we can never compromise on our fundamental and overriding commitment to provide safe and sanitary housing to those affected by disasters.

The aggregate housing needs arising from a small-to-moderate disaster are typically satisfied through the almost exclusive use of existing rental resources. A large or catastrophic disaster, however, can overwhelm an affected area's resources and require extensive supplementation, either by traditional forms of temporary housing, such as manufactured housing, or through new alternative forms of temporary housing. Our prioritized approach to the provision of disaster housing assistance is outlined in FEMA's 2008 Disaster Housing Plan, and summarized below. This plan, fundamentally based on the principles established in the draft National Disaster Housing Strategy (the *Strategy*), was released on July 23, 2008.

In the aftermath of a declared disaster, FEMA's initial actions will focus on supporting the affected State's efforts to ensure that all disaster victims are harbored in safe and secure shelters, with access to food and other necessary life-sustaining commodities and resources. As the situation stabilizes, FEMA will reorient its efforts, in support of and in coordination with States, to transition shelter residents back into their pre-disaster dwellings or, if those dwellings cannot be re-inhabited, temporary housing.

For most incidents, individuals are generally able to return to their homes within hours or days of the incident. However, for more serious declared disasters, where numerous dwellings have been destroyed or rendered uninhabitable for an extended period of time, additional housing

assistance will be required. FEMA's prioritized, but not necessarily sequential, approach to providing housing assistance is as follows.

- First, FEMA will maximize available local rental resources in the immediate area. Following the necessary inspection and verification of damages, FEMA will provide eligible homeowners up to $28,800 for repairs to make their home habitable, or to replace a destroyed or condemned home. If a damaged home is destroyed or cannot be repaired quickly, FEMA will provide financial rental assistance to eligible disaster victims within the $28,800 cap. This assistance, which is based on the fair market rent set by the Department of Housing and Urban Development (HUD), can be used to rent an apartment or other temporary housing while repairs are underway or while disaster victims look for permanent housing, make repairs to the home, or to assist in replacing the home. FEMA disaster assistance is not intended to return a home to its pre-disaster condition, but to make it safe and habitable following a declared disaster. FEMA will work with community groups and other government agencies to catalogue available rental property throughout the affected area, and begin providing that information to those disaster victims seeking affordable rental housing. This cataloguing will also identify information regarding the availability of fully-accessible units and units with accessible features usable by persons with a disability. If significant numbers of disaster victims have been displaced to other States, FEMA may implement the host-State housing protocol, which enables FEMA to coordinate rental assistance payments, at or based on fair market rent, directly to property owners through federal partners or a contract agent. This assistance can be provided for up to 18 months for eligible displaced persons. While this protocol is designed for use in situations where States are hosting large numbers of displaced persons from another State for an extended period of time, it may also be employed within the affected home State.

- Second, FEMA may use traditional forms of interim housing. If no apartments or other leasable properties are available at or below HUD's fair market rent within a reasonable commuting distance, temporary housing units may be needed. When requested by a State, FEMA will provide a range of options for temporary housing units, which may include mobile homes, park models, or other alternative forms of acceptable temporary housing. Once the appropriate options are determined acceptable by the State, temporary housing can be located on an eligible victim's private property, on a pre-existing commercial pad, or as a last resort on a new group site, generally provided by and approved by local officials and constructed and maintained by FEMA. In order to determine the precise housing needs and preferences of eligible disaster victims, FEMA will immediately commence pre-placement interviews to assess how long they will need interim housing assistance and identify their optimum solution. Based on the pre-placement interviews, FEMA will identify those individuals who are eligible for placement of a housing unit on their property. FEMA will also work with local officials to identify pad locations throughout the affected area and begin negotiations for lease of those pads, as well as work with local officials to identify and begin negotiations to obtain prospective sites for extended occupation. FEMA will move quickly to transport housing units into the

affected area and begin installing those pre-tested and State-cleared units on a prioritized basis as sites become available or are made ready for installation. FEMA-procured and provided units will be tested for formaldehyde and the results of that testing will be shared with States. A State must approve any unit before it will be provided to disaster victims. These include units that meet the needs of disaster victims with disabilities and comply with the Uniform Federal Accessibility Standards (UFAS). This process has worked exceptionally well during our response to the recent flooding in the Midwest.

- Third, FEMA is prepared to employ innovative forms of improved alternative housing, and will work with States to fairly and equitably identify appropriate and eligible households. The priority for such housing will be private site applicants who wish to remain on their property while they repair their damaged homes, but whose property is too small to accommodate a mobile home or park model. The solicitation closed on August 1, and FEMA expects to award provisional contracts to multiple alternative housing manufacturers, and begin field testing their units in October 2008. Additionally, FEMA will continue to work with our partners in the Department of Housing and Urban Development (HUD) to evaluate the quality and livability of those units selected and constructed under the alternative housing pilot program, and will leverage such units into our housing plans wherever appropriate.

- Fourth, in coordination with HUD and the affected State, FEMA may authorize permanent housing construction in those rare cases where the preceding forms of interim housing are unavailable, infeasible, or not cost-effective.

Our ability to effectively implement these priorities will depend, to a great extent, on the quality and nature of each State's engagement in their housing recovery. A key underpinning of the draft National Disaster Housing Strategy, also reflected in the 2008 Disaster Housing Plan, is the expectation that States will be active partners in the recovery, as well as assume a greater leadership role. To that end, when the impact of the disaster may require the development of interim housing options, both the *Strategy* and Plan strongly encourage the State to convene and lead a housing solutions task force at the joint field office to bring together State, Federal, non-governmental and private sector expertise to evaluate housing requirements, consider potential solutions and propose recommendations, some of which may require National-level concurrence or engagement. States are further encouraged to include disability organizations and advocacy groups on the task force to provide advice regarding housing requirements for those with special needs or limited English proficiency. Such task forces have been established by a number of Midwest flooding disaster States, and are already demonstrating their value, as well as yielding valuable lessons.

MOVING FORWARD – A COMPREHENSIVE STRATEGY

FEMA recognizes the need to have a comprehensive framework in place that serves as a guide for States on available technical assistance and resources across the Federal government, voluntary agencies, and private sector; outlines roles and responsibilities of these entities; and outlines the core competencies and limitations of FEMA. The Post-Katrina Emergency Management Reform Act called for a National Disaster Housing Strategy (NDHS) and provided

FEMA with the opportunity to describe how the Nation provides housing to those affected by disasters and chart a new direction to better meet the needs of disaster victims and communities. On July 23, 2008, FEMA published the NDHS, initiating a 60-day public comment period. The comment period ended on September 22, 2008. Because this hearing was postponed, FEMA has extended the comment period an additional 7 days so that members of the public and this committee may submit comments to www.regulations.gov under Docket ID FEMA-2008-0009. We have encouraged all stakeholders to review *the Strategy* and provide comment.

In drafting *the Strategy,* FEMA convened representatives from various Federal Agencies and other housing experts to provide input. As the working group responded to mandates of PKEMRA, it became evident to senior officials at FEMA that the end product resulted in a catalogue of available resources. The collection of the specifications in PKEMRA would not have provided for the creation of a strategy as collectively they do not create a vision or an integrated set of goals. While we believe providing this information would have met the mandate of the legislation, we do not believe that it would have moved FEMA, or the Nation forward in creating a strategy that laid out future direction for the Nation's disaster housing efforts. Nor would such a compilation have clarified the roles and responsibilities of individuals, state and local governments, voluntary agencies, the private sector, and Federal government partners; or laid a foundation for clear expectations providing measurable objectives and goals that advance disaster housing for disaster victims.

While *the Strategy* has been criticized by some for the annexes that were not provided in the initial release, we believe we have made measurable progress in our efforts. As a foundation, *the Strategy* has furthered FEMA's disaster housing initiatives. With this *Strategy* as the foundation and with the National Disaster Housing Task Force described below as the engine, we believe the specifications enumerated in PKEMRA will be realized.

The draft *Strategy* is one of the most significant documents prepared by FEMA and released under the umbrella of the National Response Framework. *The Strategy* describes how the Nation currently provides housing to those affected by disaster. More importantly, it charts a new direction towards where our disaster housing efforts must focus if we, as a Nation, are to better understand and meet the emergent disaster housing needs of disaster victims and communities.

The *Strategy* captures lessons learned from Hurricane Katrina and subsequent disasters, embraces the larger issues of disaster victims beyond simply providing a structure; seeks innovative and creative housing options; elevates issues of safety, security and access to those with disabilities; strongly emphasizes the value of planning; and differentiates the catastrophe above all other disasters. For the first time in any single document, all forms of housing are addressed and the suggestion that housing issues merit full time attention *before* disasters is promulgated.

There are three attributes of *the Strategy* that distinguish its purpose:

- First – *The Strategy* is the essential precursor to an operational plan, but is intentionally not a plan itself. As a strategy, it captures the challenges of disaster housing, clarifies roles and responsibilities, establishes key principles and sets a course for new directions and pragmatic solutions in sheltering, interim housing and permanent housing. As a strategy, it describes a

national vision and strategic goals, key building blocks for plans, policies and procedures. Its purpose is to frame the housing issue, engage in collaborative discussion, and ensure that every subsequent action taken contributes to strengthening disaster housing capabilities in every jurisdiction.

- Second, *the Strategy* is imbued with the imperative that disaster housing solutions be defined and achieved collaboratively with State leadership. Addressing the challenges of disaster housing should not originate or be driven at the Federal level. Rather, we must provide support to our State and local partners, set the pace, and actively engage and gain commitment from individuals, communities, other Federal partners, NGOs and the private sector.

- Third, *the Strategy* establishes a standing National Disaster Housing Task Force charged to aggressively implement *the Strategy*. This Task Force will reside within FEMA and be staffed primarily by FEMA full-time employees.

While some have implied that FEMA is "passing the buck," reassigning duties, handing off or outsourcing the problem, that is far from the truth. Although states, territories, and tribal governments have the primary responsibility for the health and welfare of the people in their jurisdiction, FEMA will continue to own *the Strategy,* retain responsibility, lead the charge and reach out to representatives of state and local governments, people with disabilities, NGOs, the private sector, individuals and other constituents to implement *the Strategy* and achieve its purpose.

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The *Strategy* draws on best practices and lessons learned to identify actions that must be taken to improve disaster housing assistance, an effort that involves renewing our focus on planning, building baseline capabilities, and providing a broader range of flexible disaster housing options. It describes key principles; responsibilities and roles; and current practices across sheltering, interim housing, and permanent housing. The *Strategy* recognizes that disaster housing is more than simply providing a structure; it must address human needs and make the connection to community-based services. The *Strategy* also discusses future directions for how we as a Nation can work together to achieve the goals within the *Strategy*. Future direction includes reviewing best practices and innovations to establish baseline capabilities and core competencies, validate roles and responsibilities, and improve the range, quality, and timeliness of disaster housing services provided by communities, states, and the Federal Government. The *Strategy* also moves toward State-managed, federally supported interim housing programs and calls for a broader range of interim housing options to meet diverse needs.

As required by the Post-Katrina Emergency Management Reform Act, *the Strategy* was provided to the FEMA National Advisory Committee and the National Council on Disabilities as well as all pertinent Federal departments and agencies for their review and comment. We continue to be actively engaged to seek comment and suggestions such that, later in the fall, we can release the final Strategy and embark on deliberate course to achieve the vision and goals outlined in *the Strategy.*

FEMA acknowledges the fact that *the Strategy* was not submitted in a timely manner and takes responsibility for the delay. However, I believe that if FEMA had simply "met the mail," we would no doubt be here today discussing the need for revisions to provide exactly what we did deliver in the end – a well thought out, focused, living piece of public policy that is flexible enough to be used in all hazards. We have benefitted from lessons learned and the *Strategy* reflects those lessons. We could not have produced this document one year ago. I trust that the value of having a workable document that provides the opportunity for our stakeholders to provide input has overshadowed the delay in delivery. For the first time in a single document, all of the elements of disaster housing have been described and outlined in terms of challenges and new directions. To date, FEMA has received over 20 public comments and are in the process of adjudicating those comments. Once this has been accomplished, we believe our State and local partners, Federal partners, the NGOs, the private sector, and all of those with an equity in disaster housing need will roll up their sleeves and do the work necessary to develop plans and, more importantly, the capabilities to implement effective disaster housing plans, for all hazards, for disasters from small to catastrophic, to meet the full and broader needs of disaster victims. FEMA recognizes those challenges, and is ready to provide the leadership to accomplish those objectives.

Our efforts to work with our public and private partners to improve our capability and capacity to deliver housing assistance continue. We remain determined to better posture our Nation to respond to the housing challenges now and those of the future, no matter their scope or scale. And, while disasters always present unanticipated challenges and obstacles, we know we will be measured by how quickly and surely we resolve them. FEMA has come a long way, but is by no means complacent, and fully recognizes that we, along with our partners, must continually strive to address the challenges presented.

Thank you again for this opportunity. I am prepared to respond to your questions.

Testimony of C. Ray Nagin

Mayor of New Orleans, Louisiana

Presented before the House Transportation and Infrastructure Subcommittee
on
Economic Development, Public Buildings and Emergency Management

"FEMA's Response to the 2008 Hurricane Season
and
the National Disaster Housing Strategy"

September 23, 2008
2167 Rayburn House Office Building

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Suite 2E04
New Orleans, Louisiana 70113

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To Chairwoman Eleanor Holmes Norton and Ranking Member Sam Graves of the House Transportation and Infrastructure Subcommittee on Economic Development, Public Buildings and Emergency Management, and to all distinguished members of the committee, panels and guests:

I am C. Ray Nagin, Mayor of the City of New Orleans. New Orleans is one of America's most beloved and culturally distinctive cities, but as you are all aware, it is facing the challenge of rebuilding after 2005's Hurricane Katrina, the worst natural and man-made disaster to occur in the United States of America. It is also a city that was threatened and touched by the two devastating storms that recently hit the Gulf Region – Hurricanes Gustav and Ike. Gustav posed a serious threat to New Orleans as it approached the coast of Louisiana. We are fortunate that although parts of our city had damage and our electric power infrastructure received a temporarily crippling blow, the partially completed 100-year levee protection system in the city held and we were spared the widespread destruction that other areas of our state experienced.

Hurricane Ike also left its mark on New Orleans. In the Venetian Isles community, which is outside the flood protection system, residents were again forced to evacuate due to tidal surge and were not able to gain access to their homes for several days. Because the area was flooded by both storms, those residents remain under a precautionary boil water advisory to assure that they do not consume contaminated water. Governor Jindal has requested that New Orleans be declared eligible under the Hurricane Ike federal disaster declaration which we need for Category A and B Emergency Work.

My prayers go out to the people in other parts of Louisiana, and our neighboring state of Texas, who felt the brunt of these two devastating storms. I have personally visited Terrebonne Parish and we have offered our assistance there. I also have spoken to the leadership in Houston and have committed to doing anything that my city can to help in their response and recovery. It is

my hope and prayer that they will not encounter the difficulties that we have experienced during the past three years in accessing assistance from federal agencies charged with supporting response and recovery. However, based on my preliminary conversations with leaders in these areas, many of the same difficulties are already beginning to emerge.

Thank you for providing me with the opportunity to share New Orleans' unique perspective on the ongoing hurricane season of 2008. Our experience gives us great insight that we offer to inform future law and policy on preparing for and recovering from all disasters, particularly catastrophic ones. We appreciate all that Congress has done to support us, and we urge you to continue your work to implement changes that would be valuable to us and all communities preparing for emergencies and rebuilding their homes and lives.

After a year with little hurricane activity, New Orleans has faced a busy season during 2008. Hurricane Gustav struck on September 1, just three days after the third anniversary of Hurricane Katrina, and Hurricane Ike made landfall on September 13. Compared to Hurricane Katrina, there were many significant improvements in the coordination among federal, state and local government to prepare for and respond to the disasters, but there are still many issues that will need work to resolve.

We demonstrated during Hurricane Gustav that we can successfully implement a multi-phased evacuation of our entire city. In 2005, though the vast majority of citizens evacuated New Orleans as Hurricane Katrina approached, approximately 50,000 of the city's 455,000 residents failed to leave. Many of them had major medical problems, limited resources or no means of transportation. To address the need of our most vulnerable citizens, we developed the City Assisted Evacuation Plan (CAEP), a comprehensive plan for evacuating citizens who cannot leave on their own because of financial, medical or other reasons.

The CAEP begins 72 hours before a Category 3 or larger storm is projected to make landfall. The program uses city buses to shuttle residents from 17 designated pick-up points and transports them to a central transportation point, the Union Passenger Terminal (UPT), which is our train and bus station. In the years since Hurricane Katrina, we have conducted extensive outreach to ask residents needing assistance to register in advance using the City's 311 non-emergency hotline. Some of our strategies have included making presentations to churches, neighborhood groups and at retirement facilities. We also met one-on-one with the leaders of many large facilities that provide housing to members of this population.

Pre-registration was intended to give our emergency planners a clear idea of the resources needed, and to facilitate keeping track of our citizens as they moved to other parts of the state and the country. But those who did not pre-register could simply show up at a pick-up point and board a bus. Over 5,000 had pre-registered before Hurricane Gustav began to look like it would hit the city. By the time we had to stop registration and just move people to safety, that number had quadrupled to more than 20,000 people.

In addition to taking residents from the designated locations, the city also arranged for para-transit vehicles and ambulances to retrieve residents with serious medical issues or mobility constraints from their homes. From the UPT, residents were transported by buses contracted by

the State of Louisiana, Amtrak trains and airplanes contracted through the Department of Defense to shelters in northern Louisiana and throughout the southeastern United States.

Using the CAEP, we were able to evacuate approximately 18,000 of our most vulnerable citizens to safety. Combined with those who used their own means of transportation, every resident who heeded our warning was able to leave. The New Orleans Police Department estimates that only 10,000 people remained in the city. Our citizens were part of a larger regional plan that involved the evacuation of an estimated 1.9 million people in Louisiana.

Hurricane Gustav was downgraded to a Category 2 storm by the time it reached New Orleans and it spared the city the obvious physical damage that followed Katrina. But 140,000 customers were left without electricity, the health care system was not immediately functioning, and other services were lacking. By September 4, when New Orleans was again open to all of its citizens, most electricity had been restored and other services were fully functioning. We had effectively evacuated an entire city, responded to a hurricane and brought our citizens back home within a four-day period.

Even with the success of this evacuation, our city government and our citizens are left with deep scars. Our current estimates indicate that the evacuation, local response and other factors related to Hurricane Gustav have cost the city approximately $40 million. This cost has forced the city to impose an across-the-board hiring freeze and to halt all new expenditures until these disaster related costs are reimbursed. Since current law and regulation make it hard for communities to get access to funds quickly after a disaster hits, this time lag has the potential to slow down our recovery from Hurricane Katrina as well.

Our citizens also bear the emotional scars of this storm, which was a major reminder of the vulnerability of our city and region. I signed the State of Emergency in relation to Hurricane Gustav on the anniversary of Hurricane Katrina, which was the day that we buried the last of the bodies of unidentified victims of the storm and flooding three years ago. Yet, New Orleanians continue to demonstrate their commitment to our city and the will to persevere. We have made important strides in our recovery from Hurricane Katrina. We have begun recovery projects that will total more than $1 billion for city government and more than $3 billion for the Sewerage and Water Board. The Recovery School District is investing in new schools. Businesses are making critical investments and homeowners are rebuilding.

As we move forward, we look to our federal partners to help reform FEMA's emergency preparation and response. Effectively addressing these concerns will generate greater confidence among our citizens and will empower local government when asking citizens to evacuate. It also will create better confidence for those businesses still trying to decide whether to locate in New Orleans and the region as well as other in coastal communities throughout the country. Finally, implementing these changes will help assure that every community has an effective plan for evacuation and shelter in the event of a disaster.

Develop a National Transportation Plan for Regional Evacuations that uses assets such as Amtrak and airplanes. The City of New Orleans benefited tremendously from the availability of Amtrak and contracted Department of Defense airplanes during the evacuation for Hurricane

Gustav. These methods are faster, more efficient and take pressure off already crowded roadways than the use of buses. For example, Amtrak was able to transport approximately 1,000 citizens on each trip, about 20 times as many people as a bus could hold. Greater access to trains would greatly speed the evacuation process and provide superior alternatives for transporting those who are frail or medically needy. But we must negotiate annually to have this asset available, and other jurisdictions that have not had the lessons learned from Katrina have not been able to set these types of plans at all. We fear that communities across the Gulf and in other parts of the country will face tragic human losses if regionally planned and executed evacuations are not available to the nation.

Develop a National Sheltering Plan. We were able to remove all of our citizens from the path of Hurricane Gustav, but there were major concerns in regard to some of the shelters provided to our citizens. Because of the manner in which shelters are chosen by the State of Louisiana, the City of New Orleans was unable to receive information about where our citizens were housed. That meant that we could not provide critical information to them about what was happening in New Orleans and when they could anticipate re-entry. It also meant that we could not gain access to information about conditions in the shelters and assure that they had basic amenities such as showers, adequate restroom facilities and sufficient food.

Cities and states can easily be overwhelmed by the need to house large numbers of evacuated citizens during catastrophic events. Currently the State of Louisiana's plans call for the evacuation of citizens from the area in jeopardy to numerous undefined temporary shelters in non-affected areas of the state. Louisiana relies on these non-affected areas to offer the use of churches, civic centers, schools/gymnasiums, and other buildings as shelters; most are not designated for the public ahead of time. Since hurricanes can be very unpredictable and all the coastal parishes are vulnerable to them, the "non-affected area" for hurricane evacuation excludes all areas in the southern portion of the state. This means that during an evacuation of the southeast region, approximately 1/3 of the state's population will be required to evacuate to much lesser populated areas within the state. This places a tremendous burden on the facilities, infrastructure, and population of north Louisiana. Other Gulf Coast states likely have similar restrictions in their sheltering plans.

Most of the currently identified shelters are intended to have a small number of people for only a minimal amount of time. However, Hurricane Katrina demonstrated the need for a broader plan that would include capacity for large numbers of evacuees. It also made clear the need to be able to house people for longer periods.

The federal government should develop a National Sheltering Plan that would cover all hazards, have the capacity to be implemented rapidly and provide the needed facilities for thousands of individuals. FEMA could work within its existing regional structure and in conjunction with other federal agencies to accomplish this objective. Its charge would be to develop pre-established, coordinated, and secure plans for facilities to provide reassurance and prevent panic in the event of a catastrophic natural or terrorist related disaster. These plans would involve:

- Designing regional facilities to immediately serve thousands of evacuees, with the ability to absorb a larger population as needed;

- Examining the use of federally owned property such as BRAC bases, under-utilized state and federal hospitals or hotels and motels in recreation areas that could be converted for year round accommodation as suitable sites;
- Maintaining and provisioning facilities at a minimal "caretaker" level with minimal permanent staff;
- Securing space for tents, trailers etc. that could be used in place of or in addition to structures at these sites;
- Having USNORTHCOM provide security, administration, and logistical support for these facilities during time of operation through use of a dedicated workforce.
- Educating citizens prior to an event about what to do and where to go for disasters that can occur without warning, such as terrorism events, industrial accidents or earthquakes.
- Developing a resettlement plan for bringing citizens back to their community.

By having better prepared and better equipped regional sheltering, people who evacuate their homes will be more comfortably settled for the short term while longer term temporary and transitional housing is put in place. They would also be more likely to respond to repeated requests to evacuate if needed to ensure their safety.

Coordinate more closely with local communities to provide supplies such as ice, MREs, and tarps immediately following disasters. In the aftermath of Hurricane Gustav, supplies needed in New Orleans were late to arrive. MREs were not available at the time they were needed for returning citizens and ice for the region was stationed in northern Louisiana and did not make it to the city during the emergency. Even when supplies arrived, they quickly ran out. In the future, FEMA should pre-position adequate supplies in the disaster area or just outside and transport them immediately when needed. In this case, the City of New Orleans did not even receive a response to the request for tarps for seven days.

Ongoing Struggles in the Recovery from Hurricane Katrina

Even as we address the 2008 hurricane season, New Orleans continues to face many impediments to our recovery from Hurricanes Katrina. Specifically, these challenges relate to flood protection and housing, both for citizens who have returned and those who are waiting to do so. The City of New Orleans is also still negotiating with FEMA regarding the value of project worksheets for outstanding Katrina related projects. Finally, we are concerned that FEMA still does not have enough experienced staff available to handle multiple and large-scale disasters.

Flood Protection and Comprehensive Coastal Restoration. The greatest challenge to the recovery of New Orleans and the entire coastal region of Louisiana is the security of our communities. After Hurricane Katrina, President Bush promised to do what was needed to rebuild our communities and our lives. Now even more communities in this region, which is the country's Energy Coast and the source of a quarter the country's seafood catch in the lower 48 states, need flood protection and comprehensive coastal restoration to survive and thrive. For my city, New Orleans, which is a strategic transportation and trade hub as well as cultural treasure to the nation, the fulfillment of that promise means creating the level of storm protection we

thought we had before Katrina and the levee failure. It also means planning for and supporting the level of protection that the Louisiana Coastal Protection and Restoration study will call for. I ask you to ensure that the U.S. Army Corps of Engineers has both the funding and the mandate to provide 100-year flood protection to our region by 2010, rather than by 2011 as they have projected. This protection will provide the underpinnings of our recovery and make it less necessary for us to evacuate as storms approach.

Housing Rehabilitation and Availability. Hurricane Katrina damaged 134,000 housing units in New Orleans – over 105,000 severely. More than 60,000 of our residents who are home owners applied for Road Home assistance from the state-run program that was to compensate homeowners for damages after the storm. Three years after Hurricane Katrina and the subsequent levee breaches damaged the vast majority of the housing stock in our city, about 2/3 of the applicants have received awards from the State. For those who have received their awards, the amount was often not sufficient to repair their homes due to the drastic increase in building costs in post-Katrina New Orleans. This has lead to neighborhoods that still have unrenovated properties and empty lots even as many residents work to rebuild.

The extensive damage caused by the storm and flooding led to the demolition of more than 10,000 properties in New Orleans. As a result, there are thousands of slabs scattered throughout our city that must be cleared before the properties can be redeveloped in compliance with the national flood insurance program. Although demolition that ensures the economic recovery of the affected community and which benefits the community at large is allowed by the Stafford Act, FEMA has refused to pay for the demolition and removal of slabs that could jumpstart the redevelopment of many neighborhoods and commercial corridors in New Orleans and throughout the region.

FEMA also has yet to develop a comprehensive Disaster Housing Policy that adequately addresses the needs of our residents and those of other affected areas. The toxic trailers that were provided for our citizens after Katrina are not an acceptable solution, and the long term health effects of their exposure to the high levels of formaldehyde found in these trailers won't be known for years. The City proposed a disaster housing pilot program to FEMA using panelized and modular construction that would have provided for the quick redevelopment of vacant lots and damaged properties, but FEMA has not supported this approach. Due to the slow process of the Road Home program, the lack of affordable housing, and the refusal of FEMA to spur the redevelopment housing stock through slab removal and a pilot disaster housing program for panelized construction, many of our citizens have felt compelled to remain in their travel trailers or have not yet been able to return at all to New Orleans.

There are also many citizens still utilizing the Disaster Housing Assistance Program scheduled to expire March 1, 2009. With the ongoing lack of affordable housing in New Orleans from the effects of Katrina, the destruction of more housing in much of Louisiana caused by the recent storms, and the challenges that the national financial crisis is bringing to the development of new affordable housing, we ask that the DHAP be extended at least to the end of 2009.

Appropriate action regarding the exposure of many of our citizens to formaldehyde. I remain very concerned about the effects that exposure to formaldehyde in travel trailers will have on our citizens. FEMA and the Department of Health and Human Services (DHHS) must do better than their current commitment to move people out of trailers three years after the event, and provide only public health information to affected trailer residents. Each current and former trailer resident must receive immediate free medical check-ups, and free treatment for any medical condition generated or exacerbated as a result of exposure to formaldehyde. They must also receive guaranteed access to comprehensive, state-of-the-art medical care for any future formaldehyde-related medical conditions.

It is also important that there be support to adequately and objectively evaluate the effects of formaldehyde and embark upon a widespread public educational effort. The CDC should conduct a full survey of affected residents. We ask that you support our efforts to engage FEMA and DHHS to ensure that the best medical care is given to those whose health was put at risk in travel trailers issued by the federal government.

Catastrophic disaster designation in the Stafford Act to speed up funding availability and recovery – No community that has been through a catastrophic disaster should have to experience the difficulty New Orleans has faced in accessing federal funds for rebuilding. The Stafford Act should incorporate a magnitude of disaster formula for the designation of a "**catastrophic disaster**" to delineate those disasters of more devastating impact (e.g., over 50% of structures damaged within a political jurisdiction and/or over 50% of population of a jurisdiction displaced for a set period of time) from the existing category of "major disasters" currently addressed in the act. Such a designation should trigger actions that include, but are not limited to, mandating the rapid implementation of Immediate Needs Funding; allowing for Immediate Needs Funding for Critical Infrastructure Repair to include public safety facilities and equipment; and changing the Community Disaster Loan (CDL) program by automatically removing the $5 million cap and allowing loan funds to match revenue loss.

In New Orleans, the inability to access adequate funding caused a two year delay in beginning many major recovery projects. That work is proceeding more smoothly now because the State of Louisiana approved a revolving loan fund that provides money to begin projects that will later be reimbursed by FEMA. Also in the last year, our bond rating which plummeted following the storm, has improved allowing us to sell bonds approved by voters prior to Hurricane Katrina. However, the City of New Orleans has had to find ways to provide funding upfront for projects. In addition, during the first two years after the storm, the city borrowed more than $45 million from various projects to begin repairs to critical buildings, such as the New Orleans Police Department Headquarters, the Criminal District Court building and other public safety facilities.

Development of a third party dispute resolution process on project worksheet disagreements with FEMA – It has often been difficult for the City to obtain, on a timely basis, either the latest versions and appeals resolutions on many projects or a final determination as to whether or not a building or infrastructure system is more than 50% damaged and thus eligible for replacement. The first issue has made it difficult for the City to obtain sufficient architectural and engineering advances to initiate projects and to rebuild smarter and stronger. (Advances are calculated as a percent of the total project cost – low versions lead to low percentages, often too

low to even get started on a project.) The second failure leaves the City unable to make certain critical redevelopment decisions, such as where to make investments to create consolidated and upgraded facilities and where the City can only renovate what was there before the storm. Many complex and interdependent financing and project planning decisions rest on FEMA's determinations, and projects cannot move forward until those are made, understood, and mutually agreed upon.

The Stafford Act should provide for a Dispute Resolution process utilizing a neutral third party for reviewing both versions and appeals thereto when damage assessments, cost estimates, scopes of projects or other issues cannot be mutually agreed upon. It should be the right of the applicant to request the use of such a process. One suggestion is to create a form of arbitration or mediation with rules for participation, mutual openness to calculations, control of documents, and transparency in operation. While this critical issue could be greatly improved by administrative action, we ask that Congress consider legislation to solve this problem.

Assurance of experienced and adequate staffing for FEMA – One of the greatest challenges in dealing with the public assistance program has been the lack of experienced staff and the frequent turnover among FEMA personnel. Overall, each turnover means that we face months of setbacks as new staff work to become acquainted with our projects and issues. These new staff members often reverse the decisions that were made by their predecessors, which further complicates our efforts. With more stable and experienced staffing, we will be able to depend on the decisions that are made and move more quickly with our recovery.

In addition to the changes we have asked for regarding emergency preparedness, response and recovery, we have two specific requests that we ask for federal support on.

The New Orleans Sewerage and Water Board (S&WB) maintains drainage to protect the city from floods, provides drinking water and wastewater treatment, and provides some primary power and all backup power for the operation of these systems. These functions are essential to the public health, economic recovery, and sustainability of the City of New Orleans, and are more fragile as a result of severe damage from Hurricane Katrina. There is a immediate capital needs gap of over $400 million that will not be covered by FEMA but that is critical to maintaining the functioning of these basic services.

I ask for your support for federal funding to return these systems to a level of functionality necessary for our human and economic health.

Finally, I ask for your continued support for locating a Veteran Affairs Hospital in downtown New Orleans. This hospital would provide needed medical care to thousands of veterans throughout the region. It also would form a critical part of our new biomedical district. It would be co-located with a new Louisiana State University Hospital to reduce some costs and share research and medical expertise.

The biomedical corridor is a key component of our efforts to expand our economy and to prepare our city for the future. We will be comparable to other cities that boast major medical research

complexes. Thank you for all that you have done to make this a reality and we look forward to continuing to work with you.

Conclusion

Ladies and gentlemen, thank you for allowing me to speak on the FEMA's response to the 2008 hurricane season and the status of New Orleans' recovery from the disasters of 2005. New Orleans and our region are critically important to this country. We are significant in terms of our contribution to the country's energy supply, international trade, fisheries industry and culture.

Hurricanes, as forces of nature, will continue to occur. What must be resolved is how we work collaboratively to ensure that New Orleans and this Gulf Coast region can be adequately prepared for these events, protected appropriately and can access the necessary resources to respond following the storms.

Our goal is to create communities where citizens and businesses are safe, investments are made with confidence and people are eager to visit and live. Thank your for your continued support of this goal. We especially thank you, Chairwoman Norton, and the House Transportation and Infrastructure Subcommittee on Economic Development, Public Buildings and Emergency Management, for your leadership as we rebuild. Though our country must address the urgent immediate needs in Texas and parts of Louisiana and the continuing recovery challenges of the New Orleans region, we are certain that with your assistance and the support of the American people, we will succeed.

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