

STATEMENT

OF

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

BEFORE
THE

HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

“AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
FIRE STATION CONSTRUCTION GRANT PROGRAM”

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Chairman Oberstar, Ranking Member Mica, and members of the Committee, my name is Tim Manning and I serve as FEMA's Deputy Administrator for Protection and National Preparedness. On behalf of Administrator Fugate, it is a privilege to submit this written statement updating the Committee on FEMA's implementation of the Fire Station Construction Grant (SCG) Program as provided for under the American Recovery and Reinvestment Act of 2009 (ARRA) (Public Law 111-5).

The ARRA provided \$210 million to support the SCG Program's construction and renovation efforts. These efforts will improve the capabilities of the Nation's fire service while aiding the economies of many American communities. Under SCG, funds are awarded directly to non-Federal fire departments or to state and local governments that fund or operate fire departments. Under SCG there is no match or cost share requirement, although many grantees have pledged local funding. SCG funds will cover 100 percent of allowable project costs. The result will be an infusion of funding that supports local construction, creates jobs and enhances essential services.

SCG funds are also a direct investment in public safety. Funding under the SCG Program will enable fire departments to replace or renovate unsafe or uninhabitable fire stations. These investments in infrastructure will enable fire departments to enhance fire protection coverage, better protect communities from fire-related hazards and help ensure firefighter safety.

To maximize the benefit of ARRA funding, FEMA limited funding for each individual project within a grant application to \$5 million. There is, however, no limit on the number of projects that can be included in an application as long as the total amount of grant does not exceed the \$15 million statutory cap set forth by ARRA.

The SCG Program is administered by FEMA's Grant Programs Directorate (GPD). GPD is comprised of dedicated professionals with years of experience in the planning, execution, management and monitoring of Federal grant programs. Currently, GPD manages 52 different disaster and non-disaster grant programs. GPD makes between 6,000 and 7,000 individual grants annually, which total between \$7 billion and \$10 billion in Federal financial assistance. Every grant program GPD develops and administers is marked by a high level of outreach, discussion and collaboration with the communities, individuals, and stakeholders. The Fire Station Construction Grant Program is no different.

Every year FEMA convenes a panel of fire service professionals to assist in the development of funding priorities for the coming year. In the development of the SCG Program, FEMA consulted and worked with fire service professionals representing nine major fire service organizations to develop funding priorities and other implementation criteria. These fire service organizations included:

- The Congressional Fire Services Institute;
- The National Volunteer Fire Council;
- The International Association of Arson Investigators;
- The International Association of Fire Fighters;
- The National Fire Protection Association;
- The National Association of State Fire Marshalls;
- The International Association of Fire Chiefs;
- The International Society of Fire Service Instructors, and

- The North American Fire Training Directors.

In keeping with the goals of the ARRA to assist not only the fire service, but also the broader economic revitalization of the communities fire departments serve, FEMA collaborated with additional stakeholder organizations in the development of the SCG Program. These groups—representing the Nation’s towns, cities, counties and states—included:

- The National Association of Counties
- The National Governors Association;
- The National League of Cities; and
- The U.S. Conference of Mayors.

On May 29, 2009, FEMA released the grant guidance and application materials for the SCG Program. The SCG Program’s application period closed on July 10, 2009. By the close, FEMA received 6,025 SCG applications requesting over \$9.92 billion.

Applications were reviewed based on the funding priorities recommended by the fire service peer review panel. Factors considered included the benefits the project would bring to the community, a demonstration of the community’s and the fire department’s financial need, and the improvements the project would bring to the fire department’s daily operations.

To help assess a community’s economic need, unemployment rates—specifically the change in a community’s unemployment rate from 2007 to 2008—were considered. To illustrate this, the average unemployment rate at the end of 2008 for communities receiving an SCG award was 8.33 percent. This compares to an average national unemployment rate for 2008 of 5.8 percent. The average 2007 to 2008 increase in unemployment for communities receiving an SCG award was 3 percent. The average national increase in unemployment for that same period was 1.2 percent¹.

On September 23, 2009, Secretary Napolitano announced the first group of SCG awards. One grant, from the West Seneca Fire District #6 in West Seneca, NY has been returned² The 95 remaining awards funded 103 projects and accounted for \$165,398,982 in ARRA dollars.

On February 3, 2010, DHS announced an additional 14 SCG awards totaling \$23,478,963. This brought the total amount of SCG awards to 109 and the total amount of ARRA SCG funds awarded to \$188,877,945. Eight of these awards fund multiple projects..

As of today, \$188,877,945 in ARRA SCG funds has been awarded to 118 projects. An additional \$4,809,000—or 2.29 percent—of the initial \$210 million appropriated has been retained by FEMA to cover Management and Administration (M&A) costs in accordance with the ARRA law, which allowed FEMA to retain up to 5 percent. The remaining \$16,313,055 in ARRA SCG funds is available for additional SCG awards. FEMA anticipates using these funds to make as many as 10 additional SCG awards in March 2010.

¹ Source: U.S. Department of Labor, Bureau of Labor Statistics, “Labor Force Statistics from the Current Population”, 2009 Series Id. LNS14000000

² The West Seneca Fire District returned its grant of \$320,000 after the Fire District received revised cost estimates for the District’s project. The revised cost estimates were higher than anticipated and the Fire District terminated the project.

Based on the narratives the grantees provided in their applications, we anticipate the SCG funding will result in:

- 45 new fire stations built to meet expanded responsibilities;
- 41 currently unsafe fire stations replaced;
- 16 currently unsafe fire stations renovated;
- 10 fire stations expanded to accommodate 24 hour/7 day coverage;
- 6 fire stations expanded to accommodate increased responsibilities

These funds will make tangible improvements in the health and safety of the firefighters who live and work in those fire stations and in the communities served by those fire stations. Some examples of the work the SCG initiative funds include:

City of Quincy, Florida (\$1.2 million): New construction. The current station was built in the early 1960's and is Quincy's only station. The facility has no sprinkler system, is not Americans with Disabilities Act (ADA) compliant, and lacks gender separated facilities. Response time from the current station is over five minutes for approximately 60% of the south side of town. Building this new station will bring 100% of that area well within a five minute response time.

Colona, Illinois (\$562,000): New construction. The fire department's current average delay in response ranges between five to seven minutes due to trains blocking crossings. The fire department estimates that trains block their crossings over three hours a day. The addition of a new fire station will expand the fire department's coverage, reduce response time, and result in enhanced safety to the community.

Madison, Alabama (\$1.4 million): New construction. In June 2007, visible fungal growth appeared within the existing station, prompting an environmental assessment. The assessment revealed a significant presence of a mold known to cause significant illnesses. Based upon the recommendation of an occupational health physician, the station was deemed uninhabitable and was closed in August 2007. A mobile home was purchased and placed adjacent to the closed station. The engine company was moved into the mobile home. Because the mobile home provided insufficient room, an ambulance crew was relocated to another fire station. New construction will provide a facility which firefighters can use safely.

Mt. Sterling, Kentucky (\$1.1 million): New construction. On September 17, 2007, a fire destroyed one of Montgomery County's principal fire stations. Since the fire, members of the Mt. Sterling station have been reassigned to other stations within Montgomery County. Equipment previously housed at the burned station is presently being stored in basements and other stations scattered throughout the county. The end result has been overcrowding at the other fire stations within the County and a decline in response time to the area served by the Mt. Sterling station. Replacement of the Mt. Sterling facility will restore and improve fire coverage and accommodations for fire service personnel and equipment.

Newberg, Oregon (\$764,000): New construction. Newberg's existing station was built in 1933 and was converted from a livestock barn into a fire station. The station poses several health hazards as well as limited space for the housing of firefighters, which currently prevents the department from complying with several National Fire Protection Association staffing and safety standards. The most pressing

safety concern is the fact that the station was built before air quality standards were in effect. As a result, the station was built without a source capture exhaust system for the department's diesel vehicles. The bunk rooms, kitchen, and dayroom, where the department's firefighters live and work 24 hours per day, seven days per week, are in danger of contamination. Replacing the existing station is Newberg's most viable option.

The above examples illustrate just some of the pressing and critical needs that the ARRA SCG funds will address, as well as some of the very tangible benefits which will result from these awards. As we move forward with this initiative, we look forward to providing this Committee with more illustrations of the successful impacts this initiative is having on firefighters, their departments, and their communities.

Thank you Mr. Chairman, Ranking Member Mica and members of the Committee, for allowing me to submit this statement.