

FEMA's Priorities for 2020 and Beyond: Coordinating Mission and Vision

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Introduction

Good morning, Chairwoman Titus, Ranking Member Katko, and distinguished Members of the Subcommittee. My name is Pete Gaynor, and I am the Administrator of the Federal Emergency Management Agency (FEMA). It is an honor to appear before you today to discuss FEMA's evolving role in the emergency management community and our strategic priorities to best serve the American people in 2020 and beyond.



I am proud to be part of an agency that, every day, helps communities before, during and after disasters, and I firmly believe FEMA has the best mission in the Federal Government. This job is about people –the disaster survivors we serve and the individuals who serve them.

The nation is counting on us to accomplish our mission and we will do so in accordance with our core values of compassion, fairness, integrity, and respect. In the winter of 2019, FEMA re-introduced our capstone doctrine, Publication 1, which outlines this ethos. This document, in conjunction with our Strategic Plan for 2018-2022, serves as the roadmap for the future of the Agency.

The guiding principles and priorities within these documents were designed with lessons learned from the rapid succession of historic disasters in recent years which have continued to test our Nation's ability to respond to and recover from multiple concurrent catastrophes.

Recovery from these historic disasters continues to this day, even as we pivot to prepare for the evolving threats facing our homeland -both natural and otherwise. In order to accomplish our mission, no matter what type of disaster takes place, it is imperative that the American people have the highest level of trust and confidence in FEMA's capabilities. This agency is often the last line of hope when a disaster strikes and cripples a community. We must be able to perform the delivery of lifesaving, life-sustaining resources on that community's worst day. With the gravity of this undertaking in mind, FEMA continues to champion our Strategic Plan, focusing on three key goals for the entire emergency management community: first, to Build a Culture of Preparedness; second, to Ready the Nation for Catastrophic Disasters; and, third, to Reduce the Complexity of FEMA. Our top priorities for 2020 are guided by these strategic goals.

Part 1: Build a Culture of Preparedness

Building Codes FEMA's mission is helping the American people before, during, and after disasters. One of the most effective and fiscally responsible ways to begin is by building a culture of preparedness before these disasters take place. Developing resilient communities ahead of an incident reduces both the loss of life and economic disruption, and every dollar invested in mitigation is estimated to save the American taxpayer six dollars in future spending. It is for these reasons that building a culture of preparedness is the first goal within FEMA's Strategic



Plan.

Experience has demonstrated repeatedly that emergency management practices are most effective when locally executed, state managed and federally supported. FEMA cannot accomplish this mission alone. It requires mature and strong partnerships at the State, Local, Tribal, and Territorial (SLTT) levels. All levels of government, along with the private and non-profit sectors, share a responsibility for disaster preparedness. In 2020, I am directing the Agency to focus on advancing shared responsibility across FEMA's mission space.

One of the most fundamental ways to bolster our preparedness for disasters begins with standardized building codes designed to protect lives and property. Presently, only 30 percent of U.S. jurisdictions have adopted the latest disaster resistant building codes. In order to address this vulnerability, FEMA will continue to encourage robust code enforcement and provide the information or training needed to help convey the value of standardized, up-to-date building codes. In congruence with this priority, FEMA is hiring more Subject Matter Experts and engineers to work with and contribute technical or engineering expertise to FEMA Headquarters, Regions and external stakeholders.

To provide local partners with financial support for preparedness projects, FEMA will continue to implement the Building Resilient Infrastructure and Communities (BRIC) program. We would like to thank Congress for providing the legislative tools to create BRIC from Section 1234 of the Disaster Recovery Reform Act of 2018 (DRRA). Within its first year, FEMA was able to allocate \$250 Million through BRIC to support community pre-disaster mitigation programs designed to protect lifelines and build more resilient infrastructure. As the program continues to mature, BRIC will continue to allow for larger and more consistent investments in preparedness that aim to reduce future costs to the Disaster Relief Fund. The current target date for Notice of Funding Opportunity is August 2020.

Furthermore, over the course of the coming year, FEMA's Building Code Specialists will develop a national strategy for the adoption and enforcement of disaster resistant building codes through a state, local, tribal, territorial and partner-driven collaborative effort. As empowered by Congress in Section 1235(b) of DRRA, FEMA will use this initiative to identify national consensus-based codes and standards that resiliently incorporate hazard-resistant designs.



One of the most important building code considerations is the risk of catastrophic flooding. As millions of American families unfortunately have experienced first-hand, flooding is the most common and costly natural disaster in the United States. Indeed, 98 percent of counties have experienced a flooding event, and flood waters continue to pose a greater potential for damage than any other natural disaster. Mitigating these risks to protect people and their property is not only a moral imperative, it is a prudent fiscal policy. The local adoption of minimum standards has resulted in \$100 billion in avoided losses over the last 40 years. Considering the frequency and high costs of disasters such as flooding, FEMA is exploring ways in which to financially incentivize state and local partners to proactively adopt better risk management practices by rethinking the federal share of the financial burden. We hope to work closely with our congressional partners to improve Public Assistance programs as well as to identify ways to reduce federal support for the repair of buildings or equipment in order to encourage more leaders at the state and local level to proactively increase mitigation investment and ultimately decrease federal disaster costs.

Closing the Insurance Gap

Another top preparedness priority for FEMA in 2020 is to ensure that Americans living within flood hazard areas are protected financially as well as physically. History has demonstrated that individuals, communities, and businesses that transfer their flood risk through insurance recover faster and more fully after a disaster. Approximately 40 percent of Americans do not have enough cash savings to cover a sudden unexpected expense and replacing their losses after a catastrophic event can force individuals to take on debt loads that prove disastrous in their own right. Insurance will help them to fill that financial void when a disaster occurs and better rebuild their lives in its aftermath.

Furthermore, while insurance benefits those directly affected by a disaster, it also reduces the need for federal disaster assistance and lowers the overall costs for American taxpayers. Despite the advantages, only 33 percent of Americans living within Special Flood Hazard Areas (SFHAs) currently carry flood insurance policies, which is why closing this insurance gap remains a top strategic priority for FEMA. We hope to work closely with our congressional partners to improve the affordability of the National Flood Insurance Program (NFIP) in order to ensure that all Americans are financially prepared for flooding. Specifically, we have



proposed the establishment of a targeted means-tested affordability program for policyholders residing in the SFHA who cannot afford rate increases mandated under current law.

In addition, in order to help incentivize state and local communities to prioritize adequate insurance coverage and smart land management, FEMA plans to propose phasing out Public Assistance for public buildings. While the Disaster Relief Fund (DRF) supports survivors in the immediate aftermath of a major disaster declared under the Stafford Act, this federal support only serves as a temporary safety net for immediate needs and does not provide for complete financial recovery. Financial preparedness, including having an insurance policy on personal and public properties, is critical to helping rebuild a home, replace belongings, and restore order to a family and community.

Disasters are becoming costlier. Direct average annual flood losses have quadrupled from approximately \$4 billion per year in the 1980's to roughly \$17 billion per year between 2010 and 2018. In order to further incentivize state level investments that mitigate against these rising costs, FEMA plans to propose legislative opportunities to promote shared responsibility for assistance to individuals and households. Specifically, we hope to work with our lawmakers to readjust the federal contribution and make states responsible for no more than 25 percent of all eligible costs in housing assistance after a disaster such as floods.

Incentivizing increased adoption of minimum standard building codes and closing the flood insurance gap is a fundamental strategic priority for FEMA in 2020 as we work to build a culture of preparedness.

Part 2: Ready the Nation for Catastrophic Disasters

The second goal in FEMA's Strategic Plan for 2020 and beyond is to ready the nation for catastrophic disasters. Catastrophic disasters, including low-and no-notice incidents, can overwhelm the government at all levels and threaten national security. They are life-altering incidents for those impacted, causing a high number of fatalities and widespread destruction.

Catastrophic disasters disrupt lives and hurt our communities –physically and emotionally. Readiness is critical for FEMA and our partners to ensure that the response and recovery missions are appropriately executed and successful.



Expanding and Supporting our Workforce

The Nation's readiness depends on emergency management professionals who execute the mission on behalf of the Federal Government and SLTTs. This requires a scalable and capable National incident workforce that can adapt and deploy to a changing risk landscape, greater integration with our partners at all levels, and the ability to communicate and coordinate effectively in every situation. It is for these reasons that FEMA is focused on filling critical gaps in the Incident Management Workforce with applicants possessing enhanced qualifications to improve force strength and increase our readiness to respond to disasters throughout the country. Incident Management personnel are expected to maintain a constant state of readiness and preparation, and the agency is committed to regularly exercising and utilizing this workforce.

FEMA is also committed to ensuring that our expanding workforce is empowered to succeed in their mission. As outlined in our capstone doctrine, Publication 1, FEMA personnel are expected to collaborate with colleagues and assist survivors under the auspices of our core values: compassion, fairness, integrity, and respect. In order to ensure that our emergency management professionals are unhindered within the workplace and able to focus on the life-saving missions at hand, FEMA continues prioritizing resources to ensure expeditious and fair review of allegations of misconduct through our Office of Professional Responsibility.

I have seen firsthand the dedication our employees exhibit –from FEMA Corps members, to our incident workforce, local hires, reservists, and full-time employees. It is vital that we remain equally devoted to supporting our employees and ensuring that our work culture reflects our core values. It is my firm belief that if we take care of and empower the people of FEMA, then these steadfast public servants will be ready to deliver meaningful and much needed assistance to our citizens when they need it the most after a disaster. I was recently able to meet with one such employee in Puerto Rico who personifies this commitment to service. Mr. Luis Lozano, a Telecommunications Manager within our Joint Recovery Office, risked his own life to pull an unconscious stranger from a smoke-filled vehicle.

FEMA is not perfect. We must accept responsibility for our shortcomings and seek out solutions so our mistakes will not be repeated. However, for any failure we may have, I can show you countless success stories, large and small, that have made a difference in bettering the lives of disaster survivors and furthering



the readiness of the Nation.

Part 3: Reduce the Complexity of FEMA

The third overarching goal for FEMA is to reduce the complexity of our organization and the services we provide. FEMA must be a modern agency that can adapt to both the public and government's priorities, while creating and using innovative solutions for the emergency management mission. A simplified FEMA streamlines survivor experiences, simplifies processes and policies for disaster staff, and improves stewardship of federal taxpayer dollars.

FEMA is committed to simplifying our processes and putting survivors first. We are looking at ways we can streamline our assistance programs to make FEMA's programs as clear and easy as possible for survivors and grantees to navigate. Reducing administrative and bureaucratic burdens will allow survivors and communities to receive federal assistance quicker. Throughout the Federal Government, there are several programs that offer assistance to survivors. Presently, FEMA administers more than 40 financial assistance programs, issuing thousands of grant awards each year worth billions of dollars. We are working with our partners to improve some of these activities to ensure survivors can better navigate these various programs. For example, FEMA is consolidating and updating all FEMA Individual Assistance (IA) policies and program guidance to simplify and streamline information about IA programs. Through the Individual Assistance Program and Policy Guide created in 2019, FEMA has produced a single reference resource for all IA programs on behalf of SLTT partners assisting survivors in post-disaster recovery.

This drive to simplify the process is exemplified within FEMA's Grants Management Modernization Initiative and is another strategic priority for the agency in 2020 and beyond. The Grants Management Modernization (GMM) Program is a FEMA-wide initiative to modernize and consolidate existing FEMA grants management systems and business processes into one single IT Platform with one common grants management life cycle to better support the agency's mission. We will continue to prioritize this program in 2020.

FEMA's commitment to reduce complexity, uniformly administer grants, and ensure the proper controls for its grant programs will improve the Agency's ability to support survivors and communities. By increasing transparency and prioritizing



analytics, FEMA is taking the steps necessary to keep pace with a rapidly changing world, streamline its processes to stay ahead of emergencies, and deliver swift, effective assistance in times of greatest need.

Conclusion

In conclusion, I would like to thank Congress and the President for providing FEMA with the resources to help people before, during and after disasters while allowing us to strive for our vision of a prepared and more resilient Nation. Every disaster is unique with its own set of challenges, yet in the spirit of constant improvement, we are exploring how to incentivize investments that reduce risk and reduce disaster costs at all levels.

As we examine and further develop these initiatives, we will find that some can be accomplished by existing authorities Congress has already provided to us. There will also be some challenges that cannot be solved by administrative action alone. As we identify these opportunities to improve the Agency, we will work with this committee and the rest of Congress to ensure we move forward in close partnership. I look forward to working in concert with you to accomplish our shared goals in service of the American people.

Thank you for this opportunity to testify on behalf of the dedicated employees of FEMA and share the priorities of this Agency in 2020 and beyond. I look forward to answering any questions that you may have.

