

Written Testimony of Robert David Paulison

Former Administrator, Federal Emergency Management Agency

before the

**U.S. House of Representatives Committee on Homeland Security
Subcommittee on Emergency Preparedness, Response, and
Communications**

Tuesday, February 28, 2017, 2:00 PM

House Capitol Visitor Center (CVC) Room 210

Chairman Donovan, Ranking Member Payne, and distinguished members of the Committee, I would like to thank you for holding this important hearing today regarding the future of the Federal Emergency Management Agency (FEMA). I am grateful for the leadership of the Chairman and the Ranking Member for the opportunity to share my expertise and assist with the goals of this Committee.

I have over 40 years of experience dealing with natural disasters at the federal, state, and local levels. During my career, I served as Administrator of FEMA from 2005 to 2009, Administrator of the U.S. Fire Administration from 2001 to 2005, Director of Preparedness at FEMA from 2003 to 2004, and Fire Chief of the Miami-Dade Fire and Rescue Department from 1992 to 2001. I spent the 21 years prior to that rising through the ranks of the Miami-Dade Fire Department, beginning my career as a rescue firefighter in 1971. I have a deep appreciation for the tremendous service of our nation's first responders and emergency management officials. I also have a unique understanding of the inherent problems with our nation's disaster preparedness and response system and how we can better position FEMA to respond when a disaster strikes.

This understanding was largely influenced by experiencing firsthand the aftermath of multiple category 5 hurricanes. I remember the devastation of both Hurricane Andrew in 1992 and Hurricane Katrina in 2005. One of the many things that stands out in my mind following these experiences was walking down the street and finding that where once stood a home was now only a concrete slab. This continued down the street — slab after slab, on and on. It was only every now and then that we would come across a home still standing.

It is through this lens that I sit here today to tell you that the U.S. must reform its disaster spending model to save lives and property. The first step we must take is:

1. Consolidating Disaster Spending Administration under FEMA

Following a Presidential Disaster Declaration, FEMA and a vast array of other agencies are engaged to distribute federal relief funds. In the case of Hurricane Sandy, there were 19 different agencies involved. Not only was this response fragmented and confusing for the disaster-stricken communities I've worked with, it is also wasteful and ineffective. To fix this, the U.S. should give FEMA administrative control over all disaster response. FEMA uses a Cost-Benefit Analysis (CBA), a strict numerical assessment to determine whether the benefits of a project are sufficient to justify the cost of implementing it. Consolidating disaster spending administration under FEMA (thus requiring a BCA for all disaster spending) would significantly reduce post-disaster waste.

Even more important is preventing the damage and loss of life in the first place.

Natural disasters are rapidly increasing in frequency and severity. Between 1976 and 1995, there were, on average, 39 major disaster declarations annually. This number more than tripled over the next two decades, rising to a startling annual average of 121 disasters.

And these disasters come with an enormous price tag. Since 1980, the U.S. has been struck by 203 natural disasters costing more than 1 billion dollars each. The total cost of these events is over 1.1 trillion dollars.

And taxpayers have been put on the hook to repeatedly foot more and more of this exorbitant disaster recovery bill. The percentage of post-disaster recovery paid by taxpayer dollars has increased from 5% in 1955 to 50% in 2005 all the way to 80% in 2012.

As American lives continue to be put on the line and federal disaster spending skyrockets, the U.S. needs to assess what we can do before disasters strike.

Research has repeatedly demonstrated the life and cost-saving power of pre-disaster mitigation. Studies have shown that every \$1 invested proactively pre-disaster saves \$4 or more on post-disaster recovery.

Adoption and enforcement of model statewide building codes is an essential step in this process. In fact, a study conducted by the LSU Hurricane Center estimated that model codes would have reduced wind damage from Hurricane Katrina by 80 percent, saving countless lives as well as 8 billion dollars. Having witnessed the devastation from Hurricane Katrina first hand, this research hits home for me.

Today, FEMA has a program in place that leverages the power of pre-disaster mitigation. FEMA's Pre-Disaster Mitigation (PDM) Grant Program helps states and communities fortify homes and structures before the next disaster. However, the PDM is vastly underutilized. In fact, in recent years, the U.S. has spent over 14 dollars on post-disaster mitigation for every dollar it invested in pre-disaster preparation.

Instead of spending money on the front end to improve resiliency in structures, preventing the monumental damage I witnessed during my time as FEMA Administrator, the U.S. continues to build to insufficient codes that leave our communities vulnerable to future natural disasters. This results in the unnecessary loss of life and incredible destruction I witnessed during my time working in emergency management. This is why I strongly believe that the U.S. must balance its broken disaster spending model. Our nation can accomplish this via:

2. Enhanced Pre-Disaster Mitigation Funding:

Leveraging the cost-saving power of pre-disaster mitigation (remember: \$1 dollar in prevention saves \$4 in losses) by shifting significant federal resources from post-disaster, reactive, and wasteful spending to preventative mitigation spending that will bend the runaway federal cost curve on disasters. The FEMA PDM program would receive a new, automatic funding formula enhancement via an automatic mitigation surcharge from the Disaster Relief Fund to the Pre-Disaster Mitigation grant program. There should also be explicit statutory clarification in the PDM program of eligibility for building code development and enforcement.

This federal-level shift toward pre-disaster mitigation must be supported by a corresponding shift at the state level. This can be accomplished by:

3. Creating Two Programs to Incentivize States to Invest Pre-Disaster

- a. Establishing a Post-Disaster Mitigation Incentive: Creating a Post-Disaster Hazard Mitigation Grant Program federal incentive of 4% extra funding for states who have FEMA-qualified statewide building codes in place. There should also be explicit statutory clarification in the HMGP program of eligibility for building code development and enforcement.
- b. Reforming the Federal Disaster Minimum Cost Share: Instead of the flat 75% minimum federal cost share post-disaster, the federal government should break post-disaster relief funding into two tiers. In tier one should be states that implemented FEMA-approved pre-disaster mitigation actions, including statewide model building code adoption and enforcement. These states should be provided with an additional 5% in post-disaster relief funding. In tier 2 should be states that left their residents and structures vulnerable and failed to engage in proactive activities. These states should receive 15% less federal funding post-disaster.

To be clear, I am not advocating that we stop assisting communities in need following a disaster. It is a vital act of public service in our country. However, we need to be smarter about the allocation of our existing, finite resources. These policy proposals would mitigate overall damage, which would lead to a decrease in loss of life and save taxpayer dollars.

As the Trump Administration and Congress embark on the critical task of rebuilding America's infrastructure, taking steps to fix our broken disaster spending model is more important than ever. While the appropriate representatives work to create that plan, Congress should insist on reforms to federal disaster spending that put pre-disaster mitigation at the forefront and position FEMA on the edge of the effort to rebuild our infrastructure in a way that is fortified against natural disasters.

Thank you again for the opportunity to be here and testify before you today.