

Statement

of

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**Building An Integrated Preparedness And Emergency
Management System: The Case For Keeping FEMA
Within The Department Of Homeland Security**

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Introduction

Good morning Chairman Collins, Ranking Member Lieberman, Members of the Committee:

Thank you for the opportunity to offer my views on whether FEMA should be removed from the Department of Homeland Security (DHS). I would like to make my views on this matter clear and unambiguous from the outset: removing FEMA from DHS would greatly undermine the federal government's ability to prepare for, respond to, and recover from disasters, both natural and man made. It would also derail our important, ongoing efforts to transform FEMA and would hinder the federal government's ability to manage the hurricane season that began just a week ago.

Before I explain in greater detail the many problems that would result if FEMA were removed from DHS, I would like to thank the Committee for its thoughtful look at how we as a nation, and especially the federal government, responded to Katrina. I agree that there were important shortcomings. I also agree with the fundamental principles underlying the Committee's conclusions and recommendations.

The first and most important such principle is that DHS must operate as an all hazards, integrated organization. I said this when I announced our Second Stage Review one month prior to Katrina, and my experiences since then have made me even more steadfast in the belief that this is the best approach. The same agency – FEMA – must stand ready to help communities across the country respond to and recover from all disasters, whether caused by nature or terrorism. At the same time, preparedness, prevention, response, and recovery should all be coordinated within

one department. Removing FEMA from DHS would return us to the pre-9/11 stove-piping that the Homeland Security Act was designed to eliminate.

A second fundamental principle on which we agree is the importance of integrating national preparedness activities. We have not taken FEMA out of the preparedness business, nor have we taken preparedness out of FEMA. What we have done is create a central point for coordinating the multitude of preparedness activities within DHS as well as across federal, state, and local departments and agencies. But the operational agencies such as FEMA and the Coast Guard will continue to do their agency-specific preparedness activities to ensure operational preparedness across the Department.

There are several important reasons why removing FEMA from DHS is the wrong approach:

- The previous independent agency model for FEMA is ill-suited for 21st century disasters, which, as we now know, include acts of terrorism that are designed to cause maximum harm to persons and infrastructure.
- Having FEMA in DHS enables the Department to take an “all-hazards” approach to disaster management, including both natural and man-made events.
- Having FEMA in DHS allows FEMA to integrate efforts with DHS’ other operational components, including the U.S. Coast Guard, thereby ensuring a more effective response and recovery.
- Having FEMA in DHS enables the integration of FEMA in DHS’ overall preparedness functions.

- Removing FEMA would result in an independent but weak agency that would exist in tension with DHS, creating two separate agencies to deal with disasters.
- Removing FEMA would disrupt the current integration process, which was delayed by the Katrina response last year, and would severely undermine our activities during the current hurricane season.

I certainly do not want to suggest that reform is unnecessary. As I have acknowledged, Katrina exposed weaknesses in our ability to respond to a disaster of its size and scope. Even as Katrina came ashore, we were in the midst of addressing many of these weaknesses through our Second Stage Review process, which has now resulted in a reorganization of the Department around an “all-hazards” approach to disaster management and the creation of the Preparedness Directorate. Unfortunately, just a few weeks after we announced our Second Stage Review findings — and two months before their scheduled implementation — Katrina made landfall.

Hurricane Katrina exposed shortfalls in FEMA: lack of detailed planning; failure to modernize tools and systems; and, in some respects, deliberately uncooperative senior leadership. I and the new leadership of FEMA have addressed these issues. But an overarching lesson of Katrina is this: Protecting America against the full range of risk we face requires unity of effort, not fragmentation of effort. It requires strengthening federal, state, local and tribal capabilities. Just as Congress responded to shortcomings by the Department of Defense by enacting the landmark Goldwater Nichols Act of 1986 in order to increase integration among the armed services, Congress now should focus on efforts to improve integration of FEMA with other DHS components rather than ripping them apart. The lesson is clear: instead of disintegrating

essential mission components we must follow the same path as our military and complete the integration of FEMA into our overall preparedness organizational structure, thereby tightly coupling our protection, prevention, response, and recovery capabilities. I am fully committed to working with the Committee to do exactly that.

I would like to turn to the many important steps that we are already taking to reform FEMA and to prepare for the hurricane season that officially started a week ago. But I would first like to highlight an important step that this Committee and the Senate recently took by confirming David Paulison as the new FEMA Director. David Paulison is a distinguished, well-respected emergency manager, with over 30 years of experience at local, state, and federal levels who has led the agency's efforts for 25 Presidentially declared disasters. Chief Paulison's broad experience and dedication will be invaluable as we retool FEMA for the 21st century, and I am grateful to the Senate and this Committee for taking prompt action to confirm him. As you know, I also have appointed Vice Admiral Harvey Johnson as the Deputy Director of FEMA. VADM Johnson brings a career of operational experience at the Coast Guard and will help further integrate FEMA's activities with those of the Coast Guard. This new leadership team has decades of experience in public service, emergency management, and state and local government.

FEMA Prior to Joining DHS

Many of those who argue most strenuously for separating FEMA from DHS paint a portrait of FEMA's history that does not comport with reality. Essentially, they long for a return to glory days that in fact never existed.

To be sure, FEMA has a history of dedicated public servants who have helped their fellow citizens in times of need. But FEMA has never been a large, first responder organization. Instead, it has always been a relatively small organization whose mission is to support state and local first responders and, when necessary, to coordinate operations of other federal agencies such as the U.S. Coast Guard.

FEMA was created in 1979 through the merger of the Defense Civil Preparedness Agency and the Office of Federal Disaster Assistance, in order to respond to both the Cold War and natural disasters. The same holds true today, except the Cold War threat has been replaced by a more complicated terrorist threat. This threat requires that we have the ability to protect our nation through a combination of border and immigration security, critical infrastructure protection and response and recovery, to name a few. This is precisely why FEMA is an integrated part of the Department of Homeland Security.

Throughout the years, the size of FEMA remained relatively stable, except for a limited number of changes in the aftermath of major natural disasters, and usually only after criticism of its performance. Since FY 1995, the level of full time employees at FEMA has remained around 2,200 with some years slightly higher and others slightly lower. FEMA was simply not tested in the 1990s on a scale anyway comparable to Hurricane Katrina. It is fair to say that the efficiency and effectiveness issues highlighted during Katrina occurred throughout the 1990s, but the absence of a truly catastrophic storm meant such issues were subject to relatively short-lived public attention. While FEMA responded to a large number of Presidentially declared disasters

in the 1990s, none of these events came close to the scope and scale of Hurricane Katrina. Hurricane Andrew, major ice storms, flooding events in the Midwest, and even the Northridge Earthquake, while devastating to the victims, were all significantly smaller in scope and magnitude than Katrina. Most important, FEMA had not achieved the level of preparedness needed to address a true catastrophe.

Placing FEMA Within DHS Creates a More Unified, Effective Approach

One lesson that is abundantly clear from our experience during Katrina is that the federal government must function as an integrated and unified whole during catastrophes. In fact, many of the shortcomings in our response during the aftermath of Katrina were partially a result of the failure to sufficiently integrate FEMA into DHS.

I recognize that in the initial days after Katrina's landfall, the federal response was lacking in many important respects. Insufficient planning had taken place and FEMA's leadership at the time was essentially attempting to operate FEMA as an independent agency reporting directly to the White House.

But we also saw many successes after I designated a Principal Federal Official (PFO) – Vice Admiral Thad Allen -- who was committed to the National Response Plan and an integrated federal response. Admiral Allen will address this at greater length in his own testimony. But here are just a few examples of the many ways in which DHS components worked closely with FEMA to provide an integrated response:

- The U.S. Coast Guard and FEMA’s Urban Search and Rescue Teams worked together to rescue over 40,000 people.
- TSA established an air bridge and evacuated 22,000 individuals.
- Roughly 1,500 CPB, ICE and Secret Service officers supported local law enforcement.

These efforts were possible in large part because these components existed within the Department under the leadership of a single Secretary.

In addition to working closely with DHS’ other operating components, FEMA is also closely linked with DHS’ new Preparedness Directorate, which was created shortly after Hurricane Katrina. As explained above, the Preparedness Directorate coordinates the Department’s overall preparedness efforts, including those of DHS’ operating components such as FEMA. The Preparedness Directorate handles grants, training, exercises, infrastructure protection, and medical preparedness, among other issues. It is important that these functions remain consolidated in a single Preparedness Directorate, but it is also essential that they continue to partner with FEMA as part of a single, all-hazards department. I have seen first hand the synergies produced by FEMA and the Preparedness Directorate, and by Chief Paulison and Under Secretary of Preparedness George Foresman in particular.

The Consequences to Preparedness and Response of Removing FEMA from DHS

Removing FEMA from DHS would give it independence, certainly—but at great cost. In the wake of 9/11, Congress recognized the inherent inefficiency of federal agencies working separately to deal with disasters, both natural and man-made. One of the key reasons that Congress created the Department through the Homeland Security Act was to integrate the

agencies of the federal government that would take a lead role in preparing for, responding to, and recovering from such disasters—an all-hazards approach.

Ripping FEMA from DHS would unravel the Homeland Security Act. Instantaneously, pursuant to certain Congressional proposals, we would have two agencies instead of one to manage disasters and catastrophic events, depending upon whether the disaster was labeled as natural or man-made. Instead of integration, we would have competition and confusion: prior to a disaster striking, there would be competition for funding, competition for primacy, and confusion over jurisdiction. It would be a straight line to the type of bureaucratic mess that the Nation is counting on us to avoid. And during a disaster, it would be even worse, because precious time could be lost in determining who's in the lead. After all, disasters will not always come with warning, and they will not always be labeled "natural disaster" or "terrorism." With FEMA in DHS, there is no question: The Secretary has the responsibility and the authority as principal Federal official for domestic incident management.

Removing FEMA would also result in a break between it and the Coast Guard, Transportation Security Administration, Customs and Border Protection, Immigration and Customs Enforcement, and many other DHS assets and operating components that FEMA must not only work with during a major disaster, but also train with before such a disaster. True preparedness results from working together before a disaster strikes. With FEMA in DHS, we are able to do what we have done to prepare for this hurricane season: take elements that only exist in FEMA—such as Federal Coordinating Officers under the Stafford Act and FEMA's Regional Office structure—and bring them together with DHS elements—such as the pre-designated

Principal Federal Officials, many of the Emergency Support Function leads under the National Response Plan, and DHS' other components—to train together. Separating FEMA from DHS would exacerbate a problem we are trying to eliminate: having emergency operators meet for the first time when they arrive at the Joint Field Office to deal with a disaster. And when they get there, another problem might well arise: since the FEMA employees would not be in the Secretary of Homeland Security's chain of command, there would be no effective way for me to resolve the conflicts that would invariably result in such situations. Additionally, if separated, FEMA would have to mission-assign from outside DHS to agencies such as Coast Guard, ICE, CBP, and Secret Service—which would slow the response from these key components.

We are now in hurricane season. DHS and FEMA are continuing to prepare for any potential disaster. Ripping FEMA from DHS at this time or deciding now to do so at a future date would cripple our nation's ability to respond to a major storm, be a disservice to state and local governments as they prepare, and serve as a disincentive to FEMA employees. DHS and FEMA must be allowed to implement our plans and strengthen our capabilities. It is time to stop refighting the Congress' correct decision to integrate FEMA into DHS.

One additional point bears emphasis: Just as FEMA is much more effective being part of DHS, other components of DHS are much more effective being in the same department as FEMA.

Later today, on the next panel, you will hear the Commandant of the Coast Guard, Admiral Thad Allen, testify that the Coast Guard—clearly one of the agencies of the federal government that responded most admirably to Katrina—had its response enhanced because it was in the same department as FEMA.

Modernizing and Strengthening FEMA Within DHS

Even as we continue to integrate FEMA into the Department as part of the Second Stage Review reorganization process, we are also working to upgrade the leadership, structure, business processes, and capabilities of FEMA itself. The following are a few highlights of these efforts.

From a leadership standpoint, I have already mentioned the confirmation of FEMA's new director David Paulison and the appointment of Vice Admiral Harvey Johnson to serve as his deputy. In addition to these appointments, FEMA continues to add significant bench strength in key positions such as Chief Acquisitions Officer, Director of Mitigation, Director of Response, Director of Recovery and regional director positions. Furthermore, to support these senior positions, FEMA is working aggressively to fill open positions in preparation for another active hurricane season.

From a structural standpoint, the most visible improvements are reflected in the establishment of federal leadership cells in major coastal regions to support state and local governments in their disaster management and response planning, with a special focus on hurricane preparedness. In an unprecedented move in April of this year, we announced the designation of twenty-seven federal officials to support the Gulf Coast, Northeast, and Mid-Atlantic regions as well as the states of Florida and Texas. For each of these five regions, we have designated a PFO to serve as my primary disaster management liaison between the Department and state and local officials. The PFO is supported by an experienced team of senior DHS managers for each region, and together they form a cadre of highly effective disaster managers who provide *an integration point between* the chain of command, from state and local officials, to FEMA leadership, to my

office at DHS headquarters. Further highlighting the benefit of integrating FEMA with other operational elements of the Department, these twenty-seven appointees are an even mix of both senior FEMA and Coast Guard officials.

From a business process standpoint, we revised FEMA's procurement rules to streamline the bidding process, increase transparency, and provide greater opportunities for small and disadvantaged business that reside in local areas. This streamlining has resulted in the awarding of millions of dollars in debris removal contracts to small businesses located in the Gulf Coast where Katrina and Rita devastation is greatest.

From a capabilities standpoint, we have upgraded FEMA's logistics tracking system, interoperable communications systems, call center capacity, and mobile registration teams. We have dramatically increased the amount of food, water, ice, and other relief supplies and pre-staged them at critical supply points throughout coastal regions. We have quadrupled the number of trucks available to transport these supplies and will outfit them with GPS devices to enable us to centrally track their location. Because of these upgrades, FEMA is now able to monitor individual shipments of relief supplies in the two primary hurricane-affected regions, establish interoperable radio and internet communications within two hours of arrival at a disaster site, process 200,000 assistance calls per day, and register thousands of evacuees for benefits at any shelter using wireless-enabled "tough-book" laptops that can function in extreme conditions.

These are just a few examples of the steps we have taken to modernize FEMA and build 21st century capabilities that will benefit not just FEMA, but the Department as a whole. These capabilities complement the strengths of our other Departmental components, such as the

Preparedness Directorate and the Coast Guard, and because FEMA is part of DHS, these other components will benefit from leveraging FEMA's capabilities as well. Furthermore, the capabilities I have outlined above represent the first phase of modernization activities. After we get through the current hurricane season, we will be able to implement the second phase of our FEMA modernization plan, which promises to provide even more cutting edge technologies and business processes to FEMA's growing arsenal of disaster management capabilities.

Conclusion: Strengthening FEMA

The 2006 hurricane season officially began on June 1. We worked tirelessly between the end of last hurricane season and the start of this one to make FEMA ready for the worst that Mother Nature has to offer. We have made great progress. And most of that progress was made because FEMA is part of DHS, not despite it. This is an all-hands effort. Similarly, it is my firm belief that the weaknesses in FEMA exposed so vividly during Katrina would have been orders of magnitude worse were FEMA not part of DHS.

Separating FEMA from DHS now would undo much of the important work that we have done to make FEMA stronger, and it would violate the core purpose of the Homeland Security Act. It would diminish the Nation's ability to prepare for and respond to catastrophic disasters.

I would like to thank the committee for its time today. I appreciate the thoughtful recommendations provided by the committee in its report and I look forward to working together as we move forward in achieving our shared goals.