

JOINT STATEMENT

OF

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BEFORE

THE

**SUBCOMMITTEE ON HOMELAND SECURITY
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES**

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WASHINGTON, D.C.

Chairman Price, Ranking Member Rogers, Members of the Subcommittee, my name is Ross Ashley and I serve as Assistant Administrator of the Grants Program Directorate within the Department of Homeland Security's (DHS) Federal Emergency Management Agency (FEMA). Earlier this month I appeared before this Subcommittee along with Mr. John Sammon, the Assistant Administrator of Transportation Sector Network Management at DHS' Transportation Security Administration (TSA) to discuss the security of the nation's rail and transit systems and the effectiveness of the federal funding that has been provided to protect these systems from acts of terrorism or man-made disasters. This statement reflects a joint communication to the Committee from both FEMA and TSA.

At that time we were also joined by Mr. Bill Morange, the Deputy Executive Director, Director of Security of the New York Metropolitan Transportation Authority, and Mr. Jack Eckles, the Deputy Executive Officer, System Safety, Security, of the Los Angeles County Metropolitan Transportation Authority.

During that earlier hearing Mr Chairman, both you and Congressman Rogers, as well as other Members of the Subcommittee, expressed concern over several issues. These included the amount of time it takes to obligate and draw down transit and rail grant funds; the roles and responsibilities for FEMA and TSA in administering these grant funds and managing these programs; the grant process itself; and solutions for how FEMA and TSA can reach 100 percent draw down rates on the grant funding.

To address these concerns, the Subcommittee directed FEMA and TSA to jointly develop an efficiency review that focuses on the following issue areas:

- A brief description of the problems related to the slowness of spending rail and transit security grants. The Subcommittee had requested that this report include the current status of the obligation and draw down numbers from 2006, 2007, and 2008. The Committee had also requested a detailed status of California and New York activities relating to the obligation and draw down of grant funds.
- A description of FEMA's and TSA's roles in the administration of rail and transit grant funds including a discussion of responsibilities for approving the authorization of fund draw downs and solutions for hastening the draw down process. A detailed flow chart of the grant process.
- A discussion of solutions for hastening the draw down process, including addressing the recommendations made by Mr. Morange and Mr. Eckles.

That report is complete and was submitted to the Subcommittee. I am pleased to appear before the Subcommittee today to discuss that report and to continue our earlier discussions. As the report discusses, substantial progress has been made, and continues to be made in providing funding and approving security investments for our nation's rail and transit systems.

To illustrate this point, the report submitted to the Subcommittee includes a chart entitled "Processing Time for TSGP Grants" clearly illustrating the substantial progress made in

hastening the amount of time between the awarding of grant funds and the ability of recipient agencies to use those funds.

In summary the chart shows the amount in days from when applications are received to when agencies have access to the funds. TSA has significantly revised the process to review and approve Tier I projects, resulting in substantial improvements in approval times each fiscal year. After applications are received, DHS has 60 days to act on the awards, per Congressionally-mandated timelines. After the 60-day period, DHS announces the awards. In FY06, it took approximately 285 days after awards were announced to Tier I project approvals. That timeline has been reduced to 0 days for FY09, meaning that all Tier I projects will be approved when the awards are announced. After project approval, FEMA takes approximately 60 to 90 days to complete budget reviews and the award package/obligation process. After the FEMA review is complete, agencies are issued "Release of Funds" memos allowing them to begin drawing down on the funds.

FEMA and TSA continue to work within our authorities to hasten the availability of these funds. One area of focus is FEMA's legally-required environmental planning and historic preservation (EHP) compliance review. As the Subcommittee is aware, and as the report discusses in additional detail, FEMA is required to consider the potential impacts to the human and natural environment of construction projects proposed for FEMA funding. FEMA's EHP review ensures that grant-funded activities comply with various Federal laws including: the National Environmental Policy Act (NEPA), the National Historic Preservation Act, the Endangered Species Act, and Executive Orders on Floodplains, Wetlands and Environmental Justice. The goal of these compliance requirements is to protect our nation's water, air, coastal, wildlife,

agricultural, historical, and cultural resources, as well as to minimize potential adverse effects to children and low-income and minority populations.

As you know, these grant programs transitioned into FEMA in the spring of 2007. FEMA and TSA are working closely with grant recipients to provide these recipients a clearer understanding of Federal EHP requirements, through training, outreach, improved and more detailed grant guidance, and development of a stakeholder working group. FEMA is also working internally to improve the integration of EHP requirements and processes into these grant programs, so that EHP considerations are addressed early on, rather than as an afterthought. Grant recipients are required to provide FEMA with a detailed project description, so that FEMA can identify and assess any potential impacts the project may have on environmental resources and/or historic properties. The key is for grant recipients to be aware of and to take EHP considerations into account during project formulation; consideration of EHP requirements during project formulation and a detailed project description will help ensure that impacts to environmental and historic resources are minimized during project implementation which in turn means the EHP review process is completed in a timely manner and grant funds are not delayed. Fortunately, projects funded under these rail and transit programs involve security enhancements at existing facilities, and therefore are not the types of projects expected to have adverse impacts on the environment and are projects that qualify for a Categorical Exclusion under NEPA. To date, a total of only 14 TSGP projects have required review by FEMA's EHP Specialists, the majority of which were reviewed in less than 30 days once FEMA received adequate information from the grant recipient about the nature and extent of proposed projects. Improving grant recipients' awareness of EHP requirements and collecting project information as soon as possible are two important steps in improving the timeframe of FEMA's EHP review.

Mr. Chairman, during today's hearing we will discuss these and additional aspects of the joint FEMA and TSA report in greater detail. However there is one point I believe requires our attention. That point is not to equate the rate of the draw down of rail and transit funds with a lack of activity by recipient agencies to increase the security and safety of their systems. It is true grant funds may not become available for use as quickly as all of us would like, but that does not mean that the money is not be designated for use and that the money is not being used. Grant-funded projects are underway in every state and are being executed today. The reality is that it does take time for states to draw down grant funds. The report addresses this in more detail.

Mr. Chairman, Congressman Rogers, Members of the Committee, this concludes my statement. I look forward to discussing our report in more detail and addressing any questions the Committee may have.