

DEPARTMENT OF HOMELAND SECURITY  
FEDERAL EMERGENCY MANAGEMENT AGENCY

STATEMENT FOR THE RECORD

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ADMINISTRATOR

ON THE

FISCAL YEAR 2010 PRESIDENT'S BUDGET

BEFORE THE  
COMMITTEE ON HOMELAND SECURITY

U.S. HOUSE OF REPRESENTATIVES

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## **INTRODUCTION**

Mr. Chairman, Ranking Member King and Distinguished Members of the Committee; it is a privilege to appear before you today on behalf of the Department of Homeland Security (DHS) and the Federal Emergency Management Agency (FEMA) to discuss the Agency, its accomplishments, and the FY 2010 Budget Request. We appreciate your interest in and commitment to working together as a Nation to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate against all hazards.

While new to their ranks, I am by no means unfamiliar with FEMA, having planned and responded side-by-side with the Agency over many years and across multiple disasters. As a longtime customer of FEMA support, I believe I have a thorough understanding of the Agency's strengths and weaknesses, and I am committed to ensuring that FEMA is optimally prepared to quickly and effectively meet the needs of the American people in times of disaster. With the help of FEMA's skilled and dedicated staff, our DHS and federal colleagues, key partnerships with state, local and tribal governments as well as the private sector and voluntary agencies, and the support and oversight of Congress, I am confident we will meet that challenge.

Already during this calendar year, FEMA has worked in close coordination with state and local authorities to respond to severe storms in Arkansas, Kentucky, Missouri, and several other States. We have supported the State and local response to record flooding in North Dakota and Minnesota. In addition, we have worked hard to accelerate and improve recovery efforts in the Gulf Coast region. While we have made substantial progress, and have a number of key initiatives underway, much work remains. And always, we must be ready to immediately and expertly respond to the next disaster, regardless of its origin or severity.

The FY 2010 President's Budget request reflects continued commitment to the actions required by the Post-Katrina Emergency Management Reform Act (PKEMRA), which established new leadership positions, brought additional functions into FEMA, and led to the creation of FEMA's National Advisory Council. Since the Act's passage, the Agency has significantly increased operational capacity to coordinate federal support to our state and local partners in meeting the needs of disaster survivors. Throughout FY 2010, the Agency will continue this effort, as well as work to strengthen our emergency preparedness, response, recovery, and mitigation capabilities and further facilitate a robust coordinated response to all hazards.

The Agency's FY 2010 budget request reflects \$7.394 billion in net discretionary budget authority, which is an increase of \$188 million above the FY 2009 enacted level. This strengthens the Agency's ability to fund projected disaster assistance requirements, provide funding to support state, tribal, and local emergency management functions, and

enhance internal staffing and systems that support FEMA's emergency management mission.

I will now explain exactly how FEMA will put this funding to good use.

### **PREVENTION, PREPAREDNESS, AND RESPONSE**

To strengthen prevention capabilities at the state and local levels, FEMA will work even more closely with our partners in other federal agencies, states, territories, tribal nations, local governments, first responders, voluntary organizations, business, industry, and individuals. Included among these will be key partners who, though often critical to an effective response at the local level, are often on the outside looking in during response planning: local charitable organizations and health care delivery organizations. We need to ensure that these critical grassroots organizations are effectively integrated into our response planning and strategies.

Local fire, law enforcement, and emergency services personnel are always the first to respond to an incident, and usually the first to identify and commence preparation for an emerging event. We must continue to ensure that these organizations and personnel are properly and fully supported.

To improve prevention capabilities, FEMA requests \$45.588 million in FY 2010 for the United States Fire Administration (USFA), which reflects an increase of \$609,000 to cover pay inflation.

The mission of the USFA is to provide National leadership to foster a solid foundation for local fire and emergency services for prevention, preparedness, and response.

USFA prepares the Nation's fire responders through ongoing and, when necessary, expedited training focused on evaluating and minimizing community risk, improving protection to critical infrastructure, and improving preparedness to react to all hazards. USFA coordinates with other federal, state, tribal, and local emergency service agencies, the private sector, and with colleges, universities, and other DHS educational consortium participants. In fulfilling its mission, USFA utilizes the assets of the National Fire Academy (NFA), the National Emergency Training Center (NETC) Facilities and Support Services, the National Fire Data Center (NFDC), and USFA's National Fire Programs (NFP) Division, as well as cooperative agreements with State training agencies.

NFA promotes the professional development of the fire and the emergency response community and its allied professionals. To supplement and support state, tribal and local fire service training programs, NFA delivers educational and training courses having a National focus, and which include both residential and on-line National Incident Management System training for first responders.

FEMA will continue its efforts to expand the emergency management body of knowledge and strengthen emergency management education to improve the nation's incident management capability. We will use enhanced operational planning capacity to develop vertically and horizontally-integrated response plans compliant with the National Incident Management System and the National Response Framework. We will also expand our focus on catastrophic disaster planning using Federal plans that have a Regional- and National-focus. Additionally, these plans will be synchronized with existing State, Urban Area, and regional plans developed through the Homeland Security Grant Program to prepare for National-level exercises.

FEMA's FY 2010 budget request for State and Local programs is divided into three major categories, for an appropriation totaling \$3.867B: the State and Regional Preparedness Program; the Metropolitan Statistical Area (MSA) Preparedness Program; and the Training, Measurement, and Exercise Program. A separate line item appropriation is also requested for Management and Administration (M&A) costs of the Grant Programs Directorate and National Preparedness Directorate within FEMA to administer these programs.

Within the State and local program's appropriation, FEMA is requesting a total of \$420 million for Staffing for Adequate Fire and Emergency Response (SAFER) grants, representing an increase of \$210 million. These grants help fire departments increase their number of frontline firefighters. The goal is for fire departments to increase their staffing and deployment capabilities and ultimately attain 24-hour staffing, helping ensure that communities have round-the-clock emergency support for fire and fire-related hazards.

Through this appropriation, FEMA will continue to fulfill its key role of preparing state and local governments to prevent, protect against, respond to, and recover from all-hazard events. The funding will provide for grants, training, exercises, and other support that will assist federal agencies, states, territories, and tribal and local jurisdictions more effectively prepare for all-hazard events.

FEMA must aggressively lead an integrated approach that continues to strengthen the Nation's ability to authoritatively address all-hazards. While State, local, and tribal preparedness and resilience is critical to the Nation's ability to recover from disasters and emergencies, our nation's citizens also play a vital role.

We think of our citizens as a resource, not as a liability, in our planning. We must integrate and build capacity and capability at all levels of government and incorporate volunteer, faith, community-based and private sector organizations. We must continue to reinforce the critical and enduring need for personal preparedness and encourage individuals to prepare themselves for disasters. However, while the vast majority of Americans have the means to take effective family preparedness actions, we cannot forget that many of our citizens are not so fortunate. They may lack the financial

resources to adequately prepare, or they may face physical challenges. These special needs Americans must not be an afterthought in our planning. We must proactively incorporate the needs of our special needs populations as a core element of our planning process to ensure we take care of our most vulnerable citizens.

Secretary Napolitano has made clear her commitment to improving intergovernmental coordination. Almost immediately upon being confirmed, she issued an action directive on improving ties with state, tribal, and local governments. Accordingly, we are improving our ties with partners through a number of key initiatives. For example, we are encouraging a state-led housing task force to ensure that state, tribal, and local governments are empowered to take the lead in determining the best and most appropriate housing options to meet the needs of the residents in their respective states.

Strong FEMA Regions are key to our ability to maintain and sustain robust partnerships with our stakeholders within the public and private sector that will help ensure the most efficient leveraging of national expertise, resources, and capabilities in future responses to all-hazard events. FEMA will continue to improve the quality and consistency of coordination between headquarters and regional offices in all aspects of disaster preparedness and management, including disaster response. This will provide regions with an expanded and more empowered role in executing the broad National mission entrusted to FEMA, resulting in valuable situational awareness of operations to properly shape policy and planning. To maintain continued success in future all-hazard events and to better support states and locals, FEMA must continue to enhance the nation's ability to approach events in an integrated manner focusing on continued improvements by using skill sets residing throughout FEMA, its regions, our federal partners, and all our stakeholders.

Working closely with our federal, state, tribal, local and private sector partners, FEMA is aggressively conducting and coordinating a large number of 2009 Hurricane Season preparedness efforts. Federal Coordinating Officers have been pre-designated for and are actively involved in training, assessments and exercises in each of the 18 Atlantic and Gulf Coasts states, plus Puerto Rico and the Virgin Islands.

Increasing public messaging on preparedness, evacuation and sheltering plans, and commodity distribution remains a priority. Government – even with federal, state, tribal, and local governments working perfectly in sync – cannot do it alone. All Americans need to be part of the preparedness and emergency management process. Our Citizens must understand and take responsibility for their own role in disasters. We must continue to develop a culture of increased preparedness in America, a culture in which every American takes personal responsibility for his or her own emergency preparedness.

We have improved coordination and connectivity with interagency, military, and DHS partners through upgrades to our network of operations centers, including the National Response Coordination Center, the Regional Response Coordination Centers, and the

FEMA Operations Center. We have expanded and refined Pre-Scripted Mission Assignments to facilitate disaster response support from other departments and agencies. Pre-Hurricane Katrina, FEMA had 28 Pre-Scripted Mission Assignments; all of them within a single agency, the United States Army Corps of Engineers. Now, we have 236 Pre-Scripted Mission Assignments across 29 agencies.

FEMA has also provided regional evacuation planning support to the Gulf Coast and East Coast states. The Agency continues to provide technical assistance to at-risk Gulf Coast states for hurricane evacuation and transportation planning. For example, FEMA recently convened a Gulf Coast Contra-Flow Conference to further examine evacuation planning and processes. FEMA partnered with the Department of Transportation, Federal Highway Administration, and 10 states in the southeast, specifically focusing on transportation, emergency management, public safety, and security requirements. We have also established multi-modal transportation contracts (air, rail, and bus) to provide assistance to states to support evacuation.

Should FEMA be required to support our State and local partners with temporary housing support this hurricane season, we are prepared. We have contracted for new low-formaldehyde travel trailers that will meet FEMA and state standards for indoor air quality, which are superior to any available commercially. We are establishing a Temporary Manufactured Housing Unit Supply Contract, which will provide FEMA the ability to sustain disaster housing operations in the event of a catastrophic disaster. We are also evaluating Alternative Housing Units built for sustained testing and evaluation at FEMA's National Emergency Training Center in Emmitsburg, Maryland.

FEMA's Emergency Support Function #6 Mass Care and Emergency Assistance Unit continues to work with the American Red Cross and other Voluntary Organizations to ensure that plans, resources and protocols to assist disaster survivors are developed and ready. We are developing a comprehensive National Shelter Tracking system to help states meet their needs as well as refining tools that support the reunification of families and missing children after disasters.

FEMA also continues to work with its partners to enhance its capability to lead and implement Emergency Support Function #14 – Long Term Community Recovery under the National Response Framework.

The Nation's planning system took a significant leap forward with the development of the Comprehensive Preparedness Guide 101 for state, tribal, local planning and the Integrated Planning System for Federal planning. In the years ahead, we are focused on implementing and integrating these planning systems in a coordinated manner through the FEMA Regions, and on ensuring their effectiveness in the field. The Agency also is prioritizing the assessment of federal, state and local preparedness levels by developing and implementing a Comprehensive Assessment System that will use the Target Capabilities List to assess the Nation's performance through qualitative and quantitative

metrics. In support of this effort, FEMA has developed a Cost to Capability initiative to manage performance across a diverse portfolio of preparedness grant programs. This will enable us to better demonstrate the effectiveness of preparedness grant programs in building state and local all-hazards capabilities outlined in the Target Capabilities List.

Our Operations, Management, and Administration (OMA) account supports critical core operations for all FEMA organizations at both regional and headquarters levels. The FY 2010 OMA budget request reflects the amounts required to sustain our recent improvements in operational response and internal capacity, as well as to support the Agency's efforts to complete implementation of the full range of PKEMRA requirements. These increases strengthen the Agency's ability to fund projected disaster assistance requirements, to provide adequate funding to support state, tribal, and local emergency management functions, and to enhance internal staffing and systems required to support FEMA's emergency management mission.

To support preparedness, FEMA requests \$852.2 million in FY 2010 for OMA, which provides a net increase of \$14.7 million from the FY 2009 levels. This funding request reflects the transfer of preparedness and grant programs' funding to the State and Local Appropriation. Additional funds are requested for the following:

- FEMA requests an additional \$10 million for storage tank management activities for repair, replacement, restoration and remediation efforts. FEMA oversees an inventory of over 1,000 underground storage tanks, aboveground storage tanks, and rolling stock, used primarily for the storage of petroleum and petroleum-based products to support operations during a disaster. Many of these aging and deteriorating tanks have been inadequately maintained, and many are out of regulatory compliance. In FY 2009, FEMA established a Program Management Office to more effectively manage the storage tank program. FEMA has completed its operational storage tank inventory and all remaining tanks are undergoing assessments to determine their status and condition. Operational tanks have been assessed and necessary repairs are being made, while non-operational tanks are currently being assessed to determine the next appropriate course of action
  
- FEMA also requests an additional \$7.9 million for its share of the FY 2010 DHS data center development funding, which will be used for the continuation of system and application migration to the two DHS Enterprise Data Centers for central DHS management in FY 2010. This effort includes discovery, migration planning, and scheduling activities specifically related to systems/applications that will transition to the DHS Data Centers in FY 2010. It also funds the purchase of new equipment for placement in the DHS Data Centers, as well as the transition of disaster recovery/backup/Continuity of Operations capability to DHS

Data Centers. This efforts will ensure that we can recover data as expeditiously as possible.

- To continue to meet the program goals for Disaster Assistance, Mitigation, and Preparedness grants, the Environmental Planning and Historic Preservation Office must increase its capability, particularly at the Regional level, for proactive outreach and planning, disaster readiness, and project reviews. FEMA requests an additional \$2.3 million for increased staffing dedicated to Environmental Planning and Historic Preservation, to ensure that FEMA's activities and programs related to disaster response and recovery, hazard mitigation, and emergency preparedness comply with Federal environmental and historic preservations laws and Executive Orders.
- Our final OMA request is for an additional \$3.0 million for the Gap Analysis Program to supplement the continuation of our critical efforts to quantitatively and qualitatively examine State capabilities and resource needs/gaps, and to strengthen the development of State emergency and evacuation plans. This funding will enable the Gap Analysis Program to be expanded beyond the initial focus on hurricane-prone regions/states to encompass all states.

In the area of response, FEMA has strengthened its operational readiness with Incident Management Assistance Teams and stronger regional operations. FEMA has full-time, dedicated response teams standing by to ensure they can be on the ground working side-by-side with the State within hours of any disaster. We have also proved our logistics can deliver the necessary supplies and resources to a disaster site more effectively and quickly than in the past. Simply put: FEMA and the Nation are better prepared.

We have worked to strengthen FEMA as an organization by making a greater and more sustained investment in our people, developing a capable and motivated workforce that will ensure mission success, and helping fortify a culture that rewards performance through personal stewardship, innovation, and accountability.

In FY 2010, FEMA will continue to improve operational effectiveness by enhancing its capability to provide transparent supply chain visibility and accountability of pre-positioned commodities. Pre-event procurements such as use of Inter-Agency Agreements (IAA) will improve readiness and provide immediate recovery support to the impacted area. We will also conduct assessments of current logistics core competencies and implement industry best practices.

FEMA has several other significant initiatives planned for FY 2010 to ensure continuity of national operations. For example, as part of the Integrated Public Alert and Warning System implementation plan, the Agency will publish an Inventory Assessment Report of the public alert and warning system capabilities and resources. Moreover, FEMA will

make major systems upgrades to replace legacy equipment and improve interoperability of the FEMA National Alert Radio System.

In the past year, FEMA has been able to respond rapidly and effectively to emergencies across the country. In 2009, FEMA supported 24 major disaster, five emergency, and 24 Fire Management Assistance Declarations. We are a more nimble and responsive agency.

## **RECOVERY**

Within the area of recovery, which remains the most challenging aspect of any disaster, FEMA is focused on providing assistance, both before and after events, in an easily accessible and coordinated manner through simple and effective delivery mechanisms, while also minimizing opportunities for waste, fraud, and abuse. We have expanded our capability to register those in need for aid and have mobile registration centers that can be quickly deployed to help those without access to phones or computers.

In January 2009, FEMA released the National Disaster Housing Strategy. For the first time, the Nation has a document that organizes the many planning and operational elements and considerations of disaster housing within a single strategic framework. It is intended to provide a common set of principles that will allow all housing stakeholders, at every level of government, to more effectively employ available resources to meet the needs of disaster survivors. This Strategy defines and outlines the intersection and interaction of federal, state, tribal, and local roles, responsibilities, resources, and options. Further, and perhaps most importantly, this Strategy recognizes and reinforces the need for all parties to plan and operationally prepare to play a much greater role in the disaster housing continuum, including the need for states to take the lead role in defining appropriate disaster housing strategies.

In April, we released the 2009 Disaster Housing Plan, which describes the specific actions that FEMA will take this year to support state, tribal, and local officials in meeting the housing needs of disaster survivors. As FEMA continues to build its disaster housing capabilities, we will continue to provide state, tribal and local governments with a clear expectation of the type of disaster housing support FEMA can provide.

Secretary Napolitano is committed to partnering with the Department of Housing and Urban Development (HUD) to explore opportunities to more expansively engage in and collaboratively support the Federal disaster housing mission. We are working to better align our roles and responsibilities in support of our State and local partners, which will allow FEMA to focus on the immediate, emergency needs of disaster victims, such as sheltering and interim housing, with HUD taking the lead utilizing their unique expertise in, and resources that support, long-term housing. This alignment of responsibilities is reflected in the National Disaster Housing Strategy.

FEMA continues to work with its Federal, State, and voluntary partners to build a robust system for evacuation, sheltering and housing, including our collaboration with the American Red Cross to implement the National Shelter System. The Agency has established a National Emergency Family Registry and Locator System and, working with the National Center for Missing Children, established a National Emergency Child Locator Center to help those that have been displaced find their loved ones. We have a new policy to help those with pets which identifies expenses States and local governments may be eligible for reimbursement for in conjunction with emergency pet evacuation and sheltering activities associated with the declaration of an emergency or major disaster declaration. We continue to strengthen and grow our ties and relationships with faith-based organizations that are, often, on the ground soon after a disaster, offering aid and assistance to those in need.

FEMA will continue to ensure effective recovery and disaster assistance programs that balance the assistance needs and desires of the states, communities, and individuals with the Agency's need to serve as good stewards of taxpayers' funds. My goal is to ensure that FEMA's Stafford Act-authorized grants and technical assistance programs become a model of effectiveness and efficiency. FEMA will take a fresh look at its underlying authorities and pursue opportunities to improve administrative processes and policies to better match state, community, and individual needs while still safeguarding against duplications of payments and preventing waste, fraud, and abuse.

A significant focus for FY 2010 is the consolidation of the non-disaster grants management system and other DHS grants and financial assistance management systems into a single grants management system. This on-going effort will improve customer service, increase standardization, and streamline business processes and technologies, which will reduce overall grants management costs.

To ensure FEMA remains prepared to effectively respond to a presidentially declared all-hazard event, we request total funding of \$2 billion, including an increase of \$600 million, for the Disaster Relief Fund (DRF). The DRF funds the federal response to Presidentially declared major disasters and emergencies, enables FEMA to plan and coordinate the federal response and reimburse agencies for their efforts through mission assignments, and otherwise enables the Federal government to prepare for, respond to, recover from, and mitigate the results of specific disasters and emergencies. The following grants are awarded from the DRF to mitigate or recover from the damage of a disaster: Individual Assistance; Public Assistance; and Hazard Mitigation. This request will allow replenishment of the DRF to funding levels consistent with the historical average for non-catastrophic disaster activity.

In FY 2010, FEMA also requests authority to transfer up to \$50 million to the OMA appropriation for management and administration functions.

The Emergency Food and Shelter Program provides grants to nonprofit and faith-based organizations at the local level through the National Board to supplement their programs for emergency food and shelter. Nearly 12,000 nonprofit and local government agencies in over 2,500 cities and counties across the United States receive awards. Emergency Food and Shelter funds are used to supplement food, shelter, rent, mortgage, and utility assistance programs for people with non-disaster related emergencies.

The FEMA FY 2010 request for the Emergency Food and Shelter Program is \$100 million. This request represents a decrease of \$100 million from FY 2009. However, the recently passed American Recovery and Reinvestment Act of 2009 provided an immediate appropriation to the Emergency Food and Shelter program of \$100 million and those funds have just been distributed.

## **MITIGATION**

Mitigation is a key component of prevention, preparedness, and emergency management. FEMA must continue to enhance its mitigation programs to protect lives and prevent property loss from natural hazard events.

In FY 2010, FEMA will continue its transition to a multiyear mapping effort that requires a review of each flood hazards map every five years to update and refine the data. This revitalized effort will provide sound flood hazard data, align flood map updates with flood risk assessments to support stronger hazard mitigation planning, and enable broader flood risk communication crucial to a National reduction in flood risk.

Flood Map Modernization will produce flood maps in a geographic information system format for a majority of those areas where there is recognized flood risk. This modernization effort incorporates the latest technology, providing flood hazard data in the most usable format, with advanced tools and techniques that will enable FEMA and our state and local partners to produce high-quality data while operating within cost and schedule constraints. FEMA's current approach for Risk MAP is to update maps using the most current information so they reflect physical changes that have occurred since the original mapping. FEMA also partners with state and local governments to help develop their capability for managing and maintaining flood hazard data.

In support of these initiatives, FEMA requests \$220.0 million in FY 2010 for Flood Hazard Mapping and Risk Analysis Fund (formerly Flood Map Modernization Fund) this year for the continuation of flood map updating and modernization. This request represents no change from FY 2009 levels.

FEMA will also continue the National Flood Insurance Program (NFIP) systems modernization effort to build an information technology infrastructure. This will streamline the insurance process, provide faster and more accurate access to NFIP data

and the capability to increase NFIP policy sales and improve responsiveness to customers' claims through the use of a centralized online claims module available via the Internet.

The National Flood Insurance Fund, which was established by the National Flood Insurance Act of 1968 (42 U.S.C. 4001), is a premium revenue and fee-generated fund that supports the NFIP. The Act, as amended, authorizes the Federal Government to provide flood insurance on a National basis to owners of properties located in vulnerable areas. The National Flood Insurance Reform Act of 1994 (P.L.103-325) made flood insurance mandatory for all Federally-backed mortgages of properties located in the special flood hazard areas. Currently, the NFIP insures more than 5.6 million private commercial and residential policyholders totaling approximately \$1.1 trillion.

FEMA requests fee authority in the amount of \$159.469 million for the FY 2010 National Flood Insurance Fund discretionary. This is an increase of \$2.9 million from the FY 2009 levels. Flood insurance premiums collected are deposited into the National Flood Insurance Fund, which is also used to pay out claims as well as the operating and administrative costs associated with maintaining the program.

In return for the availability of flood insurance, communities agree to adopt and enforce floodplain management measures to reduce losses from future flooding. Flood insurance may be sold or continued in force only in communities that enact and enforce appropriate floodplain management measures. Communities must participate in the program within one year of the time they are identified as flood-prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes. In addition, Federally-regulated lending institutions cannot provide loans in non-participating communities for properties within an identified special flood hazard area. Certain forms of disaster assistance also are restricted in these non-participating communities.

FEMA implements three additional Hazard Mitigation Assistance programs; the Severe Repetitive Loss Mitigation Pilot Program, the Flood Mitigation Assistance grant program, and the Repetitive Flood Claims grant program, with the goal of reducing or eliminating claims under the NFIP. FEMA provides funds to assist States and communities implement measures that reduce or eliminate the long-term risk of flood damage to buildings, manufactured homes, and other structures insurable under the National Flood Insurance Program. The Severe Repetitive Loss Mitigation Pilot Program provides funding to reduce or eliminate the long-term risk of flood damage to severe repetitive loss residential structures insured under the NFIP. There are currently approximately 7,000 properties meeting the legislative definition of Severe Repetitive Loss. The Repetitive Flood Claims grant program provides funding to reduce or eliminate the long-term risk of flood damage to structures insured under the NFIP that have had one or more claim payments for flood damages. The long-term goal of these

programs is to reduce or eliminate claims under the NFIP through mitigation activities that are in the best interest of the National Flood Insurance Fund.

Finally, FEMA requests total funding of \$150 million, an increase of \$60 million for the Pre-Disaster Mitigation (PDM) grant program. This program provides technical and financial assistance to state and local governments to help implement pre-disaster hazard mitigation measures designed to reduce injuries, loss of life, damage and destruction of property. Operating independently of the DRF (which provides *post*-disaster mitigation funding), the PDM program offers an annual funding source for eligible mitigation activities that is not dependent upon a declaration of disaster activity by the President. The funding will be used to implement a base-plus-risk allocation program that will assist states, territories, and tribes. Working with the States, FEMA will establish and maintain a portfolio of pre-qualified mitigation proposals that are consistent with state, tribal and local mitigation plans and priorities, and are deemed as technically-feasible to reduce losses from identified hazards in a cost-effective manner.

The PDM program assists state, local and tribal governments in implementing cost-effective hazard mitigation activities that complement a comprehensive mitigation program. This program provides a funding resource for state and local governments seeking to initiate or complete plans and projects that ensure immediate risk reduction to the population, to property, and for at-risk structures, including critical facilities. Often, funding is the primary obstacle that states and local governments must overcome in order to be more proactive in the prevention or reduction of the damage caused by natural hazards.

## **CONCLUSION**

Mr. Chairman, we believe the President's FY 2010 budget proposal represents a thoughtful, responsible approach that prioritizes those program areas in which FEMA is likely to have the greatest impact in reducing loss from disaster and providing the emergency assistance that will be necessary to alleviate suffering when disaster strikes.

Over the past year, FEMA has enhanced its ability to lead and support the nation in a risk-based comprehensive emergency management system of prevention, preparedness, response, recovery, and mitigation. The Agency has been able to respond rapidly and effectively to every disaster we have been called upon to support.

In the year ahead, we will work to ensure that FEMA continues to meet the needs of the American people in times of disaster. While the agency has already seen tremendous improvement over the last few years, I am confident that, with the help of our skilled and dedicated staff, and your support, we can make FEMA even better.

This concludes my testimony today. I am prepared to answer any questions the Committee may have.