



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

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November 30, 2012

BRIEFING MEMORANDUM

TO: Members of the Committee on Transportation and Infrastructure
FROM: Committee on Transportation and Infrastructure Staff
SUBJECT: Oversight Hearing on "A Review of the Preparedness, Response to and Recovery from Hurricane Sandy"

PURPOSE

The Committee will hold a hearing on Tuesday, December 4, 2012 at 10:00 a.m. in room 2167 Rayburn House Office building to receive testimony from the Federal Emergency Management Agency (FEMA), the U.S. Department of Housing and Urban Development (HUD), the U.S. Army Corps of Engineers (USACE), and State and local emergency managers involved in disaster recovery efforts in various jurisdictions.

The purpose of the hearing is to review preparedness and response to Hurricane Sandy, to receive information about the plan for redevelopment and recovery, and to examine the lessons learned by other States impacted by previous disasters. State and local emergency managers from Louisiana, Mississippi, and Galveston, Texas will provide testimony on their recovery efforts from previous disasters¹ and lessons learned by their recovery efforts that may help inform the recovery process for Hurricane Sandy. In addition, H.R. 2903, the FEMA Reauthorization Act of 2012, included key reforms that would reduce costs and speed up recovery following a disaster. That legislation passed the House in September. The hearing will also focus on how those reforms may help address red-tape and streamline the recovery process for Hurricane Sandy.

¹ Including Hurricanes Katrina, Rita, Gustav, and Ike.

BACKGROUND RELATED TO HURRICANE SANDY

Hurricane Sandy

On October 29, 2012, Hurricane Sandy made landfall at New Jersey as a "post-tropical cyclone" with hurricane-force winds of up to 80 mph, colliding with a nor'easter creating what has been called a "Superstorm." The superstorm brought with it storm surges of more than 11 feet, killing more than 100 people (including 43 in New York of which 34 occurred in Queens and Staten Island), destroying or damaging thousands of homes, and leaving more than 8 million people without power. The damage to transportation infrastructure immediately following Hurricane Sandy included approximately 600 million gallons of water that infiltrated the mass transit system and critical inter-city roads. States along the eastern seaboard were impacted from Florida to Maine, with the most destruction occurring in New Jersey and New York. Prior to landfall, pre-storm emergency declarations were issued for Connecticut, Delaware, District of Columbia, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Virginia, and West Virginia to facilitate preparation. Following the storm, major disaster declarations were issued for Connecticut, New York, New Jersey followed by Rhode Island, Maryland, Delaware, Virginia, West Virginia, and New Hampshire.

On November 26 and 27, Chairman Mica led a congressional delegation, including Members of the Committee and Members representing districts impacted by Hurricane Sandy to parts of New York to meet with federal and local officials and inspect damage resulting from the disaster. In particular, the delegation toured impacted areas of Staten Island, New York as well as damaged transportation infrastructure in Manhattan.

Federal Response

Overview

As of November 27th, 7,622 FEMA personnel have been deployed to the affected areas. 475,394 individuals have registered with FEMA for assistance, with \$974 million in individual assistance approved. Of the \$974 million, \$490 million was for repairs, \$408 million was for rental assistance and the remaining \$75 million for other needs assistance (personal property, medical, dental and funeral costs). 74 Disaster Recovery Centers have been set up by FEMA – 33 in New York, 33 in New Jersey, and 8 in Connecticut. The U.S. Army Corps of Engineers (USACE) has more than 3,000 employees in the North Atlantic Division and, at the peak of the response activities, an additional 990 team members from other USACE divisions were engaged to support the response mission.

Housing

As of November 26th, FEMA inspected 99,949 homes in New Jersey and 135,000 in New York with a total of over 1,500 housing inspectors in the field in those two States. There are approximately 5,000 households in the Transitional Sheltering Assistance Program in New York and New Jersey and 861 in hotels and motels. An additional 533 remain in congregant shelters.

State-led housing task forces in New York and New Jersey have been examining both short and long term solutions for those whose homes have been impacted by Hurricane Sandy. FEMA has organized a multi-agency Hurricane Sandy Catastrophic Disaster Housing Task Force to assist the State-led task forces. Some of the housing options being explored include utilization of federal properties, utilization of the Multi-Family Repair Program, the utilization of foreclosed properties, temporary housing units (THUs), and leasing rental properties. Final decisions on the long-term housing solutions rest with the State and local governments.

In addition, FEMA rolled out the Sheltering and Temporary Essential Power (STEP) program which will enable families to remain in, or return to, their homes, as a form of shelter while permanent repairs are completed. In those cases in which temporary repairs could be made to a home to render it livable, the STEP program would provide direct assistance by making those temporary repairs, allowing the homeowner to shelter in place as permanent repairs are made to their home. This program includes residential meter repair, temporary electrical measures, and temporary exterior repairs. Examples include: patching windows or exterior doors, tarps on the roof, minor electrical work, or necessary inspections for habitability. New York has requested and is implementing the program with over 10,000 registrants and 3,417 assessments completed. New Jersey is expected to request implementation of STEP in that State soon. Connecticut has not requested the STEP program.

Power and Fuel

As of November 15, approximately 85,000 customers in New York and New Jersey were without power. FEMA established a Power Restoration Task Force led by the Department of Energy to address power outages and fuel shortages. The Task Force worked with the private sector to identify impediments to power restoration or fuel supplies. The Task Force has worked to ensure generators are available to refineries, support power restoration and fuel distribution at gas stations, and acquire and move power restoration teams to communities without power. The federal government has delivered 8.1 million gallons of fuel in the affected areas and over 198 generators to critical locations, including hospitals, shelters, and government buildings.

The USACE deployed teams to strategic locations in NY, NJ, PA, and WV, with resources in place to haul, install and operate generators at critical facilities. USACE de-installed 153 generators as power was restored. At the peak, the USACE generated 55MW of power, enough to support power needs of 50,000 families. Additionally, USACE sent power experts and generators to support NY Public Housing, the Hoboken High Rise Complex, the Kinder Morgan Petroleum Terminal and Hoboken Terminal.

Recovery and Rebuilding

On November 15, the President announced that he tasked Housing and Urban Development (HUD) Secretary Shaun Donovan to work with the impacted communities on identifying redevelopment plans asserting that HUD's involvement will help streamline the process of rebuilding. While FEMA will continue to lead the response and recovery, HUD would

work with FEMA in accordance with the National Disaster Recovery Framework.²

While FEMA maintains that it will continue with its lead role pursuant to its authorities under the Stafford Act and responsibility over the Disaster Relief Fund (DRF), the details of how HUD's role will fit into that framework are not yet clear. FEMA has already begun appointing Federal Disaster Recovery Coordinators (FDRC) as deputies to FEMA's Federal Coordinating Officers. General information received from FEMA indicates that HUD would facilitate and coordinate all relevant federal programs and resources across the government. Further details of HUD's role are expected to be released soon.

Disaster Relief Fund (DRF)

The Disaster Relief Fund (DRF) is the primary account used to fund many of the FEMA disaster assistance programs for States and local governments and certain nonprofits following a declared disaster or emergency. In most cases, funding from the DRF is released after the President has issued a disaster declaration.

As of November 26, based on current FY 2013 DRF sources of funding and usages to date, the following were the balances in the DRF:

FY 2013 CR Appropriation:	+\$7.100 billion
FY12 Carryover balance:	+\$1.003 billion
FY13 Recoveries to date:	+\$0.177 billion ³
Transfer to OIG:	- \$0.024 billion
DRF Obligations as of 11/26/12	<u>-\$2.874 billion</u> ⁴
	+5.382 billion ⁵

U.S. Army Corps of Engineers (USACE)

USACE, working in conjunction with FEMA, has played a key role in the response. As highlighted previously, USACE has played a significant role in addressing power supply issues. In addition, USACE has been engaged in the following:

- supporting power, debris and temporary housing missions in NY and NJ with technical assistance teams and senior leadership oversight consistent with FEMA mission assignments.

² The National Disaster Recovery Framework (NDRF) was created to ensure coordination and recovery planning at all levels of government before a disaster, and describes how the nation will work together, following a disaster. The framework establishes structures, defines leadership roles and responsibilities, and guides coordination and recovery planning at all levels of government. The NDRF was released on September 23, 2011, as the first framework published under Presidential Policy Directive – 8.

³ Part of the \$1.2 billion total recoveries projected for all of FY 2013 but not yet realized.

⁴ Including obligations recorded for Hurricane Sandy (to date) totaling \$1.938 billion in terms of surge (\$15m), emergencies (\$40m) and current catastrophic disaster (\$1,883b) based on issued declarations and authorities executed consistent with the Stafford Act

⁵ For both Major Disaster Declarations and the Base

- supporting emergency temporary power missions in NY/NJ. USACE are providing emergency power for capacity beyond states' capabilities.
- providing debris teams to ports, waterways and coastal areas in NJ and NY clearing debris along the Atlantic seaboard. Thirty-five debris teams are assisting local NY and NJ authorities. Nearly 330,000 cubic yards of debris have been removed to date.
- providing planning response teams to assist with debris management, infrastructure assessment, temporary roofing, critical public facilities, and temporary housing.
- concentrating pumping efforts at 14 critical locations as determined by local officials. Pumping is complete at all 14 locations. During de-watering operations USACE controlled 162 pumps and removed more than 475 million gallons of water equivalent to 720 Olympic-sized swimming pools.
- provided 512 truckloads (18,000 liters per load) of water to NY, NJ, PA, and WV.
- providing Technical Assistance to FEMA. Planning Teams are helping entities complete grant applications/project worksheets. Technical assistance is also being provided for site layouts to include the placement of structures, infrastructure, and other site requirements.
- providing USACE Critical Public Facilities PRT, which is completing 30 percent design for local entities (and assisting with the independent government estimate), and assisting in the preparation of environmental documentation as required by local, state and Federal governments. The Critical Public Facilities Mission includes assessing fire, police, school, city halls, EMS, hospitals and public works facilities. The assessment of these facilities in New Jersey is complete for all 158 facilities and a need was found for 29 facilities. Those that require temporary structures are: 8 fire, 8 police, 3 schools, 1 city hall, 1 EMS and 8 public works facilities. Estimated completion date for the Critical Public Facilities Technical Assistance mission is December 15.

GENERAL BACKGROUND REGARDING FEMA

Federal Emergency Management Agency: History

FEMA was established in 1979 by Executive Order by President Carter following a number of massive disasters in the 1960s and 1970s which resulted in proposals by the National Governors Association and others to streamline and cut the number of agencies States were required to work with following a disaster. Prior to the creation of FEMA, the federal government's emergency response mechanisms were scattered among many agencies throughout the government. The creation of FEMA helped to centralize these authorities and the coordination of the federal government's response to a disaster. FEMA's primary authority in carrying out its emergency management functions stems from the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act).⁶ Following more than two decades as an independent agency, the Homeland Security Act of 2002 (P.L. 107-296), which created the

⁶ 42 U.S.C. §§ 5121-5207.

Department of Homeland Security (DHS), placed FEMA within DHS, and FEMA's functions were dispersed among various offices and directorates of DHS.

In 2005, Hurricanes Katrina and Rita devastated the Gulf Coast. Following Hurricanes Katrina and Rita and the poor response that occurred, several investigations and congressional inquiries and hearings took place to examine the preparation for, response to, and later recovery from these hurricanes. In particular, the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina was formed and culminated in the issuance of a report entitled, "A Failure of Initiative: The Final Report of the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina" on February 15, 2006.

Following the issuance of this report, Congress enacted the Post-Katrina Emergency Management Reform Act of 2006 (PKEMRA) (P.L. 109-295), which put FEMA back together again within DHS. PKEMRA authorized the National Preparedness System and, among other things, FEMA for the first time in legislation.

Disaster Assistance Programs

When, at the request of a Governor, the President declares a major disaster or emergency, the official declaration triggers certain federal response authorities and financial disaster assistance. In particular, when such a declaration is made, the President is authorized to direct any federal agency, with or without reimbursement, to assist state and local governments and protect life and property. FEMA is responsible for coordinating federal agency response and ensuring the necessary federal capabilities are deployed at the appropriate place and time. In addition, FEMA provides direct support and financial assistance to States and local governments and individuals as authorized under the Stafford Act.

FEMA's primary Stafford Act programs for disaster response and recovery in the aftermath of a major disaster are in the Public Assistance Program and the Individual Assistance Program. The Public Assistance Program, authorized primarily by sections 403, 406, and 407 of the Stafford Act, reimburses state and local emergency response costs and provides grants to state and local governments, as well as certain private non-profits to rebuild facilities. The Public Assistance Program generally does not provide direct services to citizens.

The Individual Assistance Program, also known as the Individuals and Households Program, is primarily authorized by section 408 of the Stafford Act. The program provides assistance to families and individuals impacted by disasters, including housing assistance. Housing assistance includes money for repair, rental assistance, or "direct assistance," such as the provision of temporary housing.

Section 404 of the Stafford Act authorizes the Hazard Mitigation Grant Program (HMGP). HMGP provides grants to state and local governments to rebuild after a disaster in ways that are cost effective and reduce the risk of future damage, hardship, and loss from natural hazards. FEMA also provides grants under HMGP to assist families in reducing the risk to their homes from future natural disasters, through such steps as elevating the home or purchasing the home to remove it from the floodplain.

Disaster Declarations

When state and local resources are overwhelmed and the “disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments,”⁷ the Governor of the affected State may request that the President declare a major disaster. If the President issues a declaration, federal resources are deployed in support of state and local response efforts.

There are two categories of incidents included in the Stafford Act – “major disasters” and “emergencies”. A “major disaster” is defined under the Stafford Act as:

Any natural catastrophe (including any hurricane, tornado, storm, high water, winddriven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought), or, regardless of cause, any fire, flood, or explosion, in any part of the United States, which in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance under this chapter to supplement the efforts and available resources of states, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.⁸

An “emergency” is defined as:

Any occasion or instance for which, in the determination of the President, Federal assistance is needed to supplement state and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe in any part of the United States.⁹

The key distinction between a major disaster and emergency is that emergencies authorize fewer types of assistance and do not require a state level disaster declaration or a request from a governor. In addition, emergencies are typically less severe events, limited in cost or can be declared to “lessen or avert the threat of a catastrophe.”¹⁰

WITNESSES

The Honorable W. Craig Fugate
Administrator
Federal Emergency Management Agency

Major General Michael Walsh
Deputy Commanding General, Civil and Emergency Operations

⁷ Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5170.

⁸ 42 U.S.C. § 5122.

⁹ Id.

¹⁰ 42 U.S.C. § 5122.

U.S. Army Corps of Engineers

Mr. Fred Tombar
Senior Advisor to the Secretary for Disaster Recovery
U.S. Department of Housing and Urban Development

Mr. Robert R. Latham, Jr.
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Mr. Kevin Davis
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