

**DEPARTMENT OF HOMELAND SECURITY
APPROPRIATIONS FOR FISCAL YEAR 2004**

TUESDAY, APRIL 8, 2003

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 2:15 p.m., in room SD-124, Dirksen Senate Office Building, Hon. Thad Cochran (chairman) presiding.
Present: Senators Cochran, Gregg, Craig, Byrd, Harkin, Kohl, and Murray.

DEPARTMENT OF HOMELAND SECURITY

STATEMENT OF HON. MICHAEL BROWN, UNDER SECRETARY, EMERGENCY PREPAREDNESS AND RESPONSE DIRECTORATE

OPENING STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. The hearing will please come to order.

The subject of today's hearing is the fiscal year 2004 budget request for the Emergency Preparedness and Response Directorate of the Department of Homeland Security.

We appreciate the attendance of Under Secretary Michael Brown. We thank you for your attendance today and welcome you and those who have accompanied you to this hearing.

The President's budget request for Emergency Preparedness and Response totals \$5.96 billion. We have a copy of the statement you have prepared for the committee, which we will make a part of the record in full. And we will invite you to make any explanation of the budget request which you think would be helpful to the committee as we review this request for appropriations.

But before proceeding, I want to recognize my good friend, the distinguished Senator from West Virginia and the ranking Democrat on the committee, for any opening statement that he would wish to make.

Senator Byrd.

STATEMENT OF SENATOR ROBERT BYRD

Senator BYRD. Well, thank you, Mr. Chairman. This is the first witness to testify before the recently established Homeland Security Subcommittee of the Senate Appropriations Committee, the subcommittee that is tasked with making careful choices about how best to take care of our Nation. Is this working?

We have been able to send a person to the moon and bring him back safely again, but we have never been able to perfect a good public address system.

So this subcommittee has to find the proper balance. How do we make America safe without fundamentally changing the quality of a free society? How do we protect ourselves from a threat within our borders, while protecting our privacy rights, and our freedom to move about this great country? How do we invest the resources and organize our efforts to catch terrorists without throwing out The Constitution? How do we make sure that the agencies that have been merged into the new Department of Homeland Security and that have specific missions unrelated to homeland security, such as preventing and responding to natural disasters, have the resources to effectively accomplish those missions?

Over the last 10 years, the Federal Emergency Management Agency has earned the reputation as the Federal agency that extends help to Americans in their darkest hour. Time and again, when Americans have been struck by hurricanes, when West Virginians have been struck by floods, and when Americans have been struck by earthquakes, FEMA has been the Federal agency that was the firm shoulder that disaster victims could lean on.

That is not to say that FEMA's response has always been without problems, but in recent years, FEMA has been organized as, and has been very adept at, helping the victims of national emergencies. I know a good many families and communities in West Virginia who look at FEMA and wonder where they would be, how they might have survived, without the aid of FEMA.

In your testimony today, please explain to the subcommittee what you expect the impact will be of the merger of FEMA into the Department of Homeland Security. Under the umbrella of the new Department of Homeland Security, with so much emphasis on homeland security, can the recently created Emergency Preparedness and Response Directorate continue to provide the victims of natural disasters with the same kind of rapid and organized assistance?

FEMA was formed in 1979 by merging into one agency five agencies from existing Federal departments. And it took 15 years for FEMA to work through organizational glitches and internal bickering at times. I have been on this committee since FEMA was created, and I do not want to see this very important agency go through more growing pains.

While learning to prepare for and to respond to all hazards, the Emergency Preparedness and Response Directorate must not lose its capacity to respond effectively to natural disasters.

Now, the Homeland Security Act places new responsibilities on your agency, including program transfers from the FBI—it is that broccoli I had for lunch. Gives you trouble. Does it give you trouble?

Mr. BROWN. Not too often, Senator.

Senator BYRD. The Homeland Security Act places new responsibilities on your agency, including program transfers from the FBI, health and human services, and the commerce department. It is this subcommittee's job to ensure that you have adequate resources

to maintain your past level of activity and to take on these new responsibilities.

I hope that in your testimony today, you will address whether the President's budget provides the resources to address these new responsibilities without undermining your missions related to responding and preventing natural disasters. I will look forward to your testimony.

Senator COCHRAN. Thank you very much, Senator. Senator Gregg.

Senator GREGG. Mr. Chairman, I will look forward to hearing the witness.

Senator COCHRAN. Mr. Secretary, you may proceed.

STATEMENT OF MICHAEL BROWN

Mr. BROWN. Thank you, Senator. Good afternoon, Mr. Chairman, Senator Byrd, Senator Gregg. It is certainly my pleasure to be here.

I am Michael Brown, the Under Secretary for the Emergency Preparedness and Response Directorate (EP&R) of the Department of Homeland Security. On March 1 of this year, the Federal Emergency Management Agency (FEMA) became part of the Department of Homeland Security. We at FEMA are honored and excited to be a part of this DHS mission to prepare and protect our Nation.

However, I want to assure the members of this subcommittee that FEMA will not lose sight of its responsibility to help people and communities affected by natural disasters. During my tenure at FEMA, I have developed an acute appreciation for its all-hazards mission.

To underscore that point, it is useful to examine our mission statement. The mission statement of the Emergency Preparedness and Response Directorate is to lead the Nation to prepare for, mitigate the effects of, respond to, and recover from major domestic disasters, both natural and manmade, including incidents of terrorism. It still contains the core responsibilities that guided FEMA as an independent agency.

Since March 1 and the standing up of the Department of Homeland Security, we have responded to disasters caused by snowstorms, ice storms, flooding and the Columbia Space Shuttle disaster.

We have not changed how we respond. The core competencies of my dedicated staff have not changed, nor have the experience and expertise that they bring to the table.

We embrace our new homeland security responsibilities. Those responsibilities will be folded into our long-standing, well-tested organization and will not replace it.

As we moved into the Department of Homeland Security, I ordered an internal reorganization of the directorate. We look forward to submitting those changes to you once we have completed our realignment.

FEMA will be divided into four disciplines: preparedness, mitigation, response and recovery. This reorganization reflects the traditional areas of emergency management. It also resembles the organizational flow used by many States who must continue to be our partners in incident management.

The changes that FEMA has undergone, both external and internal, have not changed its focus. And as part of DHS, we will continue FEMA's tradition to be there whenever disaster strikes, whatever its nature.

The Emergency Preparedness and Response Directorate faces serious challenges in achieving this mission. Chief among those challenges is increased risk. America's metropolitan areas continue to grow in size and density, with many of the largest situated in coastal regions, along earthquake faults, or in other high-risk areas. Commercial and residential development have progressed at a rapid pace across the Nation, expanding into previously unsettled or sparsely populated areas, and exposing growing communities to new risks, especially wildfire, flooding, and erosion.

To address these growing risks, EP&R will act accordingly. We are working to consolidate the multiple Federal response plans into a single national response plan governing our emergency activities across all levels of Government.

We are augmenting and maintaining the Nation's pharmaceutical and vaccine stockpiles and strengthening their future capacity to ensure adequate supplies in the event of a national emergency.

We are committing ourselves to recruiting, training and retaining a top-notch workforce and developing a staff with the talent, skills, competencies and dedication necessary to meet the demands of the future.

We are working to further develop State, local and volunteer readiness strategies through planning, mitigation, preparedness, response and recovery activities.

Finally, we are providing critical information to the public, the media and the emergency management community by maintaining public information programs and by building partnerships with and among Government entities, other responder organizations and the private sector.

Toward these goals, the President's Budget for Fiscal Year 2004 requests resources to address these areas. Approximately \$900 million is proposed for Project BioShield for a new permanent authority that would allow the Government to secure medical countermeasures to strengthen the Nation's preparedness against bioterror attacks.

There is \$400 million to be spent to augment and maintain the Strategic National Stockpile of drugs and vaccines in order to expand and strengthen America's capability to respond to a bioterrorism threat.

\$300 million is proposed to continue the pre-disaster hazard mitigation program, ensuring that the most worthwhile and cost-effective mitigation programs are funded.

\$200 million is proposed to correct, update and digitally distribute the Nation's flood insurance rate maps, identifying areas at risk. These maps will guide future development and flood mitigation efforts.

Finally, \$1.9 billion will provide disaster relief under those primary assistance programs that provide a significant portion of the total Federal response to victims in presidentially declared major disasters and emergencies.

These programs reflect FEMA's commitment to performing its mission of leading America to prepare for, mitigate the effects of, respond to and recover from disasters, both natural and manmade, including those acts of terrorism. Successfully implementing these missions is key to our Nation's well-being.

Finally, one of the strategies the Department of Homeland Security will employ to implement its broad agenda is the consolidation of the Department's grant processes within a single directorate to allow its State and local partners one-stop shopping for all homeland security needs.

The President's Budget consolidates grants for first responders in the Office for Domestic Preparedness (ODP) within the Border and Transportation Security Directorate. The assistance to firefighters, State and local all-hazards emergency operations planning, interoperable communications equipment and Emergency Management Performance Grants all move from FEMA to ODP.

Because of the proposed transfer of these grant programs, those resources are now shown in the Border and Transportation Security/ODP budget instead of the FEMA budget.

In closing, I would like to thank the members of this subcommittee for the opportunity to speak about some of our successes over the last year, and our challenges ahead in the fiscal year 2004 budget.

PREPARED STATEMENT

FEMA joins DHS with great faith that we now have an entire department helping us secure the Nation against all hazards, whether natural or manmade. We will do our part by responding to disasters wherever they strike and whatever causes them. And with that, Mr. Chairman, I am happy to answer any questions.

[The statement follows:]

PREPARED STATEMENT OF MICHAEL BROWN

INTRODUCTION

Good afternoon, Chairman Cochran and Members of the Subcommittee. I am Michael Brown, Under Secretary for the Emergency Preparedness and Response Directorate (EP&R) of the Department of Homeland Security.

On March 1 of this year, the Federal Emergency Management Agency, FEMA, became part of the Emergency Preparedness and Response Directorate of the Department of Homeland Security (DHS). We are proud to join the new Department and are determined to do our part to help Secretary Ridge and the Department succeed. I want to assure the Members of this Subcommittee that EP&R will not lose sight of its responsibility to help people and communities affected by disasters. I served as the General Counsel of FEMA when I first arrived in Washington, D.C. and, at the time of the creation of DHS, as the Deputy Director. Given that experience, I have an acute appreciation for EP&R's mission and its important role in the Department. To underscore that point, it is useful to examine our mission statement. The mission statement of EP&R,

To lead the Nation to prepare for, mitigate the effects of, respond to, and recover from major domestic disasters, both natural and manmade, including incidents of terrorism still contains the same core responsibilities that guided FEMA as an independent agency. Since March 1, DHS/EP&R has responded to disasters caused by snowstorms, ice storms and flooding. We have not changed how we respond.

As we moved into DHS, I ordered an internal reorganization of EP&R. We look forward to submitting those changes to you once we have completed our realignment. EP&R will be divided into four disciplines—preparedness, mitigation, response and recovery. This reorganization reflects the traditional areas of emergency

management. It also resembles the organizational flow used by many States, who continue to be our partners in emergency management.

The changes FEMA has undergone—both external and internal—have not changed our focus. As part of DHS, EP&R will continue FEMA's tradition to be there whenever disasters strike.

FISCAL YEAR 2002 ACCOMPLISHMENTS

During fiscal year 2002, the Federal Emergency Management Agency (FEMA) expended nearly \$3.9 billion in disaster funds to aid people and communities overwhelmed by disasters, which included earthquakes, floods, ice and winter storms, fires, hurricanes, tornadoes, and tropical storms. FEMA responded to 42 major disasters involving 28 States and 4 U.S. Territories.

FEMA also provided assistance for a near-record 83 fire events that affected 18 States, with the western part of the Nation experiencing one of the worst fire seasons in U.S. history. In fiscal year 2002, FEMA received \$360 million in Assistance to Firefighter Grants for equipment, safety and prevention programs and vehicles. We received \$745 million for that purpose in fiscal year 2003. Late in fiscal year 2002, FEMA was appropriated \$225 million to distribute to States in fiscal year 2003 to modernize their emergency operations centers, update their emergency response plans, and improve their emergency preparedness.

In addition to the numerous disasters that struck in fiscal year 2002, FEMA continued its full support to the City and State of New York in their recovery efforts from the terrorist attacks of September 11, 2001. This includes distributing the \$9 billion allotted by President Bush and Congress.

CHALLENGES

The Emergency Preparedness and Response Directorate faces serious challenges in achieving its mission. Chief among those challenges is increased risk. America's metropolitan areas continue to grow in size and density, with many of the largest situated in coastal regions, along earthquake faults, or in other high-risk areas. Commercial and residential development have progressed at a rapid pace across the Nation, expanding into previously unsettled or sparsely settled areas, and exposing growing communities to new risks, especially wildfire, flooding and erosion. To address these growing risks, EP&R will continue to emphasize pre-disaster mitigation and insurance.

The risks associated with acts of terrorism also pose a significant challenge for EP&R. FEMA's rapid and decisive response to the events of September 11 demonstrated the Agency's role in consequence management. As a result, the Nation is looking to the emergency management community—and EP&R in particular—to meet this challenge. Creating a single, all-incident management plan from the multiple Federal response plans currently operating is an important step in ensuring EP&R meets the challenge. Maintaining the Nation's pharmaceutical and vaccine stockpiles, and strengthening their future capacity to ensure adequate supplies in the event of a national emergency are additional activities we will undertake.

EP&R also faces serious challenges in maintaining and developing its workforce. Within the next 5 years, 48 percent of the EP&R workforce is projected to become eligible for retirement. Given this, EP&R has committed itself to recruiting, training, and retaining a top-notch workforce and developing a staff with the talent, skills, competencies, and dedication necessary to meet the demands of the future.

Meeting multiple demands with limited resources, a problem familiar to all Federal agencies, is another obstacle EP&R will have to overcome to achieve its mission of protecting the lives and property of the American people.

ACTIVITIES

Specific mission activities include:

- Improving the Nation's disaster response capabilities and those of State and local governments by developing and maintaining an integrated, nationwide operational capability to respond to and recover from disasters and emergencies, regardless of their cause, in partnership with other Federal agencies, State and local governments, volunteer organizations, and the private sector.
- Assisting all levels of government, first responders, volunteer groups, and the public in meeting the responsibilities of domestic emergencies and challenges, especially incidents that are fire-related or chemical/biological in nature through planning, mitigation, preparedness, response, and recovery activities.
- Using risk management strategies to reduce and eliminate the long-term risk to life and property from natural and technological hazards such as floods, earthquakes, hurricanes, and dam failures.

- Ensuring the adequacy of the Nation's pharmaceutical and vaccine stockpiles and other medical supplies that can be delivered to emergency sites in 12 hours.
- Providing critical information to the public, the media, and the emergency management community by maintaining public information programs and by building partnerships with and among government entities, other responder organizations, and the private sector.

2004 HIGHLIGHTS

The President's Budget for 2004 includes several areas of emphasis:

- \$890 million is proposed for a new, permanent authority that would allow the Government to secure medical countermeasures to strengthen the Nation's preparedness against bioterror attacks.
- \$400 million would be spent to maintain the Strategic National Stockpile of drugs and vaccines in order to expand and strengthen America's capability to respond to a bioterrorism threat.
- \$300 million is proposed to continue the pre-disaster hazard mitigation program to ensure that the most worthwhile and cost-effective mitigation programs are funded.
- \$200 million is proposed to correct, update, and digitally distribute the Nation's flood insurance rate maps, to identifying areas at risk. The maps will guide future development and flood mitigation efforts.
- \$1.9 billion will provide disaster relief under the primary assistance programs that provide a significant portion of the total Federal response to victims in presidentially declared major disasters and emergencies.

EP&R's 2004 programs reflect its commitment to performing its mission of leading America to prepare for, mitigate the effects of, respond to, and recover from disasters, both natural and manmade, including incidents of terrorism. Successfully implementing the EP&R missions is key to our Nation's well being.

PREPAREDNESS

The mission and overriding objective of the Preparedness Division is to help the Nation better prepare to respond to emergencies and disasters of all kinds, including those resulting from acts of terrorism and involving weapons of mass destruction (WMD).

The fiscal year 2004 budget request for the Preparedness Division is contained in our \$1.652 billion operating expense account. Preparedness priorities include:

- Strengthening the ability of State and local emergency managers and responders to prepare for and respond to all hazards, including terrorist attacks;
- Building and sustaining a national preparedness and response capability.

The Preparedness Division is responsible for Federal, State, local, and community preparedness programs; assessments and exercises; the Radiological Emergency Preparedness program and the Chemical Stockpile Emergency Preparedness Program; and emergency management and first responder grants administration.

The Preparedness Division also includes the U.S. Fire Administration, whose mission is to reduce life and economic losses due to fire and related emergencies. Fire death rates in the United States are among the highest in the industrialized world, but many of these deaths are preventable. The U.S. Fire Administration works to prevent these deaths and the damage to property through leadership, advocacy, coordination and support. The training programs offered at the National Fire Academy and the Emergency Management Institute to promote the professional development of command level firefighters, emergency managers and emergency responders are an important aspect of the U.S. Fire Administration's duties.

Another training program in the Preparedness Division is the Noble Training Center located at Ft. McClellan, Alabama. Noble Training Center is the only hospital facility in the U.S. devoted entirely to medical training for WMD. The Noble Training Center trains medical personnel for State and local hospitals, emergency medical services, the National Disaster Medical System and the Metropolitan Medical Response System.

The Preparedness Division will provide the expertise to develop the National Incident Management System (NIMS) and the National Response Plan (NRP). The objective of both of these tasks is to ensure that all levels of government across the Nation work efficiently and effectively together, using a national approach to domestic incident management.

NIMS will provide a consistent nationwide approach for Federal, State, and local governments to work effectively and efficiently together to prepare for, respond to, and recover from all domestic incidents. To provide for interoperability and compatibility among Federal, State, and local capabilities, the NIMS will include a core set

of concepts, principles, terminology, and technologies covering the incident command system; multi-agency coordination systems; unified command; training; identification and management of resources (including systems for classifying types of resources); qualifications and certification; and the collection, tracking, and reporting of incident information and incident resources.

The Preparedness Division will continue to provide the States with technical assistance in their all hazards planning. As part of our effort to prepare our citizens for all disasters, the Division will oversee the Community Emergency Response Teams, or CERT. This program, begun as a civilian training program by the Los Angeles Fire Department, has become a nationwide effort to train citizens in first aid and basic firefighting and emergency response techniques. CERT trained citizens are able to provide those basic emergency services that would otherwise occupy the first responders. EP&R provides train-the-trainer programs to allow as many citizens as possible to receive this training across the country. Currently, over 200,000 citizens have received CERT training; our goal is to train 400,000 citizens by the end of 2003.

Preparedness is also responsible for the Metropolitan Medical Response System (MMRS). The MMRS consists of 120 teams of medical responders located in major metropolitan areas. The primary focus of the MMRS program is to develop or enhance existing emergency preparedness systems to effectively respond to a public health crisis, especially a WMD event. Through preparation and coordination, the local law enforcement, fire, hazmat, EMS, hospital, public health, and other "first response" personnel are better able to effectively respond in the first 48 hours of a public health crisis.

MITIGATION

Our mitigation efforts are an essential cornerstone of the Department of Homeland Security's resolve to protect the lives and property of Americans from the ravages of disasters. Mitigation programs provide us the opportunity not only to develop plans to reduce risks, but to actually implement those plans before a disaster occurs.

In fiscal year 2003, Congress supported the President's efforts to promote disaster mitigation by creating and funding two initiatives: pre-disaster mitigation grants and flood map modernization. We are moving quickly to implement both of these important initiatives.

The Pre-Disaster Mitigation program supports the goals of disaster mitigation partnerships. The competitive nature of this funding source encourages communities to assess their risks, evaluate their vulnerabilities and incorporate an action plan into the ongoing planning processes.

As an annual grant program, the Pre-Disaster Mitigation program gives States and communities the opportunity to develop plans to reduce risks. States will no longer need a presidentially declared disaster before they can receive mitigation funding to reduce their most significant risks. Mitigation of the most hazardous risks should be a regular investment priority, and not contingent upon a disaster declaration.

This competitive program will help ensure that the most worthwhile and most cost-effective projects are funded. The goal is to fund activities that will reduce the risks of future damage in hazard-prone areas, thereby reducing the need for future disaster assistance.

The States play an essential role in the implementation of all of our mitigation programs, and they will be prominent in the pre-disaster mitigation program.

With respect to the pre-disaster mitigation grants, we have already announced the availability of funds for pre-disaster mitigation planning grants based on the fiscal year 2003 appropriation. The application deadline for these grants is April 30, 2003, and we will award these grants to the approved States and territories soon thereafter.

The fiscal year 2004 budget proposal includes \$300 million: an appropriation request of \$280 million for the Pre-Disaster Mitigation program coupled with \$20 million transferred from the National Flood Insurance Fund for flood mitigation grants.

The fiscal year 2004 request also includes \$200 million for the Flood Map Modernization Program which is also well underway. Flood maps have been produced for over 19,000 communities. Communities, lenders, insurance agents and others use the maps and the flood data approximately 20 million times a year to make critical decisions on land development, community redevelopment, insurance coverage, and insurance premiums.

Now, however, more than two-thirds of the maps are more than 10 years old. Many do not accurately reflect the change in flood risk due to increased develop-

ment over the years. Nearly all of the maps have out-dated streets that make it difficult to precisely determine if a property is located in a floodplain. Of additional concern is that the vast majority of the existing maps are not compatible with today's Geographic Information System (GIS) technology. This further complicates communities' efforts to implement mitigation strategies through building code and planning and zoning enforcement.

We will continue implementing a two-pronged approach, begun in fiscal year 2003, for updating the Nation's flood hazard data. With buy-in from our State and local partners, we are focusing first on high-risk areas. This will best serve our mission to reduce losses of life and property. In addition, to take advantage of economies of scale in these areas, we are emphasizing basin wide studies, where they are feasible and cost effective. Secondly, we plan to capitalize on areas that have existing data that can be quickly and efficiently converted to up-to-date flood studies supporting the National Flood Insurance Program (NFIP). This approach provides a framework for prioritizing projects and is scalable to accommodate available funding in fiscal year 2004 and subsequent years.

One reason the NFIP flood hazard data is out of date is the lack of ownership at the State and local levels. Our strategy for map modernization seeks to change this pattern. We will engage in partnerships and establish a process that enables State, regional, and local entities to manage their flood hazard data. Many local governments already implement the floodplain management standards of the NFIP. So, where the interest and capability exist, hazard identification activities should also be accomplished locally. We will provide flood hazard identification training and technical assistance to those interested in flood hazard identification. This training will increase the capability of States, regional planning commissions, flood control districts, and local governments to produce and maintain flood hazard studies. The end result will be a decentralized system for producing data by those most affected by the flood hazard.

A key component of the flood map modernization initiative is improving e-Government processes for flood hazard data creation and distribution. Through the Flood Map Modernization Program, we will enable easy access and exchange of flood hazard data through the Internet. This system will provide tools allowing the effective use of information for making decisions that reduce vulnerability to flood risk.

It is critical that the new flood maps be maintained. We will work closely with the States and local communities to do so. By moving to a web-based distribution system and using technology to adjust the maps, we will provide timely, accurate flood risk information to communities that wish to make development and redevelopment decisions without the risk of increasing flood damages.

So far, in fiscal year 2003, we have implemented a performance-based acquisition strategy for modernizing the Nation's flood maps. Our "results oriented" approach leverages the industry's innovations and "best business practices" to deliver new flood maps in the most cost effective and timely manner possible. In addition, we are implementing an integrated acquisition strategy that will leverage expertise and resources with other Federal agencies and our State and local partners.

Mr. Chairman, I am also happy to report that the National Flood Insurance Program, the largest single-line property insurance writer in the country, is once again debt-free and stands on solid financial ground as we begin a new era in emergency management.

In June of 2001, Tropical Storm Allison battered the Gulf Coast and East Coast States. After the final losses were tallied, Allison had the dubious distinction of becoming our first billion-dollar tropical storm, and we borrowed \$660 million from the U.S. Treasury to pay for losses that exceeded our reserves. We have repaid that debt, with interest, as of October 2002.

Approximately 30,000 families, business, and other victims of flooding from Allison received payments from the National Flood Insurance Program rather than relying on disaster relief. This example proves again the value of the flood insurance program, which helps America recover from the devastating effects of flood, while minimizing the burden on the taxpayer.

RESPONSE

The Response Division coordinates and implements the Federal response to presidentially declared disasters. The budget for the Response Division is contained in the Operating Expenses account and in the Disaster Relief Fund.

We will continue to improve our disaster response capabilities—and those of State and local governments—through the efficient and effective delivery of disaster assistance to victims, while also reducing costs and ensuring accountability of response assets and equipment. The Response Division is charged with developing and

maintaining an integrated, nationwide operational capability to respond to and recover from disasters and emergencies, regardless of their cause, in partnership with other Federal agencies, State and local governments, volunteer organizations, and the private sector.

As one of its new initiatives, the Response Division will streamline capabilities by merging the Federal interagency response plans into one national response plan. The National Response Plan will encompass the Federal Response Plan, the National Contingency Plan, the Federal Radiological Response Plan and the Interagency Concept of Operations Plan.

We also recognize that disasters, such as an earthquake on the New Madrid fault, have the potential of affecting tens of thousands of people. While the emergency management community is well-trained to handle day-to-day disasters, we are not adequately prepared to handle a truly catastrophic event. In order to respond to such events, the Response Division will pursue comprehensive, all hazards catastrophic planning. The goal is to ensure an integrated Federal, State, local and private sector response and an efficient mobilization of resources in the event of a catastrophic disaster. The first area of concentration will be catastrophic housing.

As part of the EP&R budget, \$400 million is requested to maintain the Strategic National Stockpile. The Strategic National Stockpile is made up of pharmaceuticals, vaccines and medical supplies housed in various areas around the country in case of emergencies. By dispersing the assets, we are able to get the necessary supplies to a disaster site in 12 hours.

The Administration is requesting \$890 million is requested for a new authority to allow the Federal government to purchase vaccines and medication for biodefense. EP&R is beginning its work in this arena by developing a bio-terrorism response plan, Bio-Watch; participating in Metropolitan Washington Council of Governments Bio-terrorism Task force; and participating in major bio-terrorism response exercises such as TOPOFF 2 and Exercise Silent Night.

The Response Division will take operational control over three separate teams of specialists that can be rapidly mobilized in times of disaster: the Domestic Emergency Support Team (DEST) from the Federal Bureau of Investigations (FBI); the National Disaster Medical System (NDMS) from the Department of Health and Human Services; and the Nuclear Incident Response Teams (NIRT) from the Department of Energy.

DEST provides expert advice, guidance and support to the FBI On-Scene Commander (OSC) during a WMD incident or credible threat. It is a specialized interagency U.S. Government team comprised of crisis and consequence management components. The DEST augments the FBI's Joint Operations Center (JOC) with tailored expertise, assessment and analysis capabilities.

NDMS is a nationwide medical response system to supplement State and local medical resources during disasters and emergencies and to provide backup medical support to the Departments of Defense and Veterans Affairs medical care systems during an overseas conflict.

The final new team, the NIRT, was established to provide a versatile nuclear and radiological emergency response and management capability.

RECOVERY

The disaster relief activities of EP&R are financed primarily from the Disaster Relief Fund (DRF) with funding for permanent staff in the Operating Expenses appropriation. The 2004 budget request for the DRF includes \$1.934 billion which will help insure that we meet outstanding obligations from previous disasters, and have the funds needed to handle events in fiscal year 2004.

The Recovery Division administers the programs that help States, local governments, communities and individuals recover after the President has determined supplemental Federal assistance is needed. The Individual and Public Assistance programs will remain our primary commitment to communities, individuals, and families affected by disasters. To provide assistance as quickly as possible, we coordinate closely with our regional offices, disaster field offices, other Federal agencies, our State partners and voluntary organizations.

The Individual Assistance Program provides individuals and families affected by disasters with a full range of available programs in a timely manner. This assistance varies from tangible help such as providing funds to repair homes, to the more intangible programs providing emotional support through State crisis counseling programs. When disaster strikes, individuals and families need immediate information and help. Once the President declares a disaster, applications for individual assistance are taken and centrally processed to get money into the hands of the victims as soon as possible, generally within 7 to 10 days. Through timely home inspec-

tions and nationwide call centers, disaster victims are able to obtain the information and assistance needed to recover.

The Public Assistance Program is the primary means for community recovery. This program provides cost-shared grants to States and local governments and to certain private non-profit organizations for debris removal, emergency protective measures, and repair or replacement of damaged facilities, such as roads, buildings, and utility systems. A recent example with which you may be familiar was the removal of approximately 1.8 million tons of debris from the World Trade Center attack. This enormous effort was completed both ahead of schedule and under budget. Also, we were better able to address the complex transit issues in New York City following 9/11 by collaborating with other Federal agencies. Specifically, integrating FEMA's programs with those of the Federal Transit Administration improved the means in which financial assistance was provided to the City.

In order to promote a more efficient use of Federal and State resources, we work with State and local applicants to evaluate damage to facilities and estimate the cost to repair them. In addition, we encourage communities to include mitigation measures in repairs to reduce future damages to facilities. Finally, EP&R encourages States with adequate resources to assume a larger role in managing the Public Assistance program in their States.

The Fire Management Assistance Program is another key resource for States and local governments to mitigate, manage, and control forest or grassland fires to prevent damages that result in a major disaster declaration. This past year's drought spawned many fires, and the financial assistance we provided through more than 80 fire declarations saved millions of dollars in damages to private properties and public facilities.

We take our mission to help communities and citizens recover very seriously. We continuously survey our customers and evaluate the effectiveness of our Recovery Programs to help communities and disaster victims and, at the same time, ensure the proper stewardship of Federal taxpayer dollars.

CONCLUSION

In closing, I would like to thank the Members of the Subcommittee for the opportunity to speak about some of our successes over the last year, our challenges ahead and the fiscal year 2004 budget for the Emergency Preparedness and Response Directorate of the Department of Homeland Security. We join DHS with great faith that we now have an entire department helping us secure the Nation against all hazards, both natural and man made. We will do our part by preparing for, mitigating against, responding to and recovering from disasters. I would now be pleased to answer any questions you may have.

DISASTER RELIEF FUND

Senator COCHRAN. Thank you very much, Mr. Secretary, for summarizing your statement and explaining the highlights of the President's budget request for 2004.

As you know, we just completed action here in the Senate on a supplemental appropriations bill. I wonder if you have any comments about the sufficiency of the funds that have been included in the Senate supplemental appropriations bill in helping meet the needs of this directorate for the balance of this fiscal year?

Mr. BROWN. Senator, I think that the supplemental goes a long way to meeting some of our unmet needs. As you know, when the threat advisory level changes and we go to different colors, and right now we are in Code Orange, it causes agencies like FEMA to go through a checklist of different actions that we think are appropriate to take both within the National Capital Region and out among our regional directorates across the country.

We do not just summarily go through and implement everything that is on that checklist, but only those which we think are appropriate. So consequently, our operational budget increases dramatically. And I think the increase in the War Supplemental from \$15 million to \$45 million is a very significant help to us.

I will tell you, however, we are still short in the Disaster Relief Fund. We would appreciate any help you could give us in that area.

Senator COCHRAN. Well, in that connection, I recall the other day when you came by my office, which I appreciated very much that we talked about how it is hard to predict how much money is going to be needed for disaster relief because none of us knows what the nature of the disaster situation is going to be from 1 month to the next, or 1 year to the next. And we can pick out a number, the administration can or the committee can, and put it in a bill, hoping that will take care of the needs. What happens, though, if we get to the point where obviously we are today—and your answer suggests we may be about to run out of money in the disaster relief account—what happens when you do run out of money and Congress has not put sufficient funds in a supplemental or provided them to your office?

Mr. BROWN. Historically, Mr. Chairman, yearly appropriations average approximately \$3 billion for the Disaster Relief Fund, the DRF. That normally gets us through a typical year of covering ongoing disasters. For example, right now we have, approximately 50 open disasters on which we are expending funds, either in individual assistance or public assistance.

That assistance may include things like payments to individuals for repairs to homes, payments to State and local governments for repair of buildings, roads and bridges and so forth.

What normally happens is that the Office of Management and Budget (OMB) will keep the Disaster Relief Fund at about a half-billion-dollar level. A couple of days ago, it was down to about \$28 million, the lowest in the history of the agency, I believe. It is now back up today, I think, to about \$44 million.

If OMB does not release the funds soon to the DRF, EP&R will probably have to delay the start of some projects or postpone the completion of other projects until we do receive the needed funds.

Senator COCHRAN. Am I correct in assuming that many of these projects you are talking about are projects that are really under the purview of local governments, counties or States, where they are rebuilding a bridge or repairing infrastructure of one kind or another?

Mr. BROWN. Yes. Either assistance to individuals as a result of a disaster or public assistance to State and local governments. We provide funds through the State governments and they pass it to the entities in the declared disaster area. But primarily we are talking about public assistance projects, which would be the buildings and that type of thing that would have been damaged in a disaster.

Senator COCHRAN. Yes. So if those local Governments are deprived of funds, particularly over a long period of time, we are going to run the risk of creating some more problems and hazards for the people who live in those communities, or States, is that correct?

Mr. BROWN. That is correct. We will reach some go point where I will have to have my financial people and others through to see what projects have been obligated and which ones we need to pare back until we either get a release of funds from OMB or additional funding in the DRF.

ASSISTANCE TO FIREFIGHTER GRANTS

Senator COCHRAN. I want to ask one other question. Then I am going to yield to other members of the committee for any questions that they have. Can you tell us why the budget request shifts the assistance to firefighter grants from Emergency Preparedness and Response to the Office for Domestic Preparedness?

Mr. BROWN. The President's original proposal recommended that the entire first responder grantmaking process in the Department of Homeland Security be moved to FEMA, the Emergency Preparedness and Response Directorate. Congress chose not to do that, and instead chose to split the first responder grants between FEMA and ODP. As we move through the transition, all of the normal first responder grantmaking processes that FEMA performs will go into ODP within the Border and Transportation Security Directorate to create a one-stop shop for first responders.

Senator COCHRAN. Do you have any concerns regarding the shift in the administration of this important grant program—if so, what are they?

Mr. BROWN. I think the record would show that, as Senator Byrd has commented, FEMA had some glitches in the beginning. I also think the record would show that over the past 10 to 12 years, FEMA has done an exceptional job of processing those grants in a very timely and organized fashion.

I am committed to making certain that if the grants do move to ODP, that we will provide whatever resources we need to provide to ODP to allow them that same culture and that same ability.

Senator COCHRAN. Thank you. Senator Byrd.

DISASTER RELIEF FUND

Senator BYRD. You have said that your current balance is about \$44 million?

Mr. BROWN. Yes, sir.

Senator BYRD. And, what is the amount that can be made available on a contingent basis? Have you made a request to OMB?

Mr. BROWN. Yes, Senator, we have asked OMB to release the funds to get us back up to at least the \$500 million level.

We started that process in early February.

Senator BYRD. Given the fact that in an average month FEMA pays out \$250 million from the Disaster Relief Fund, \$544 million does not seem like enough to get you through the end of fiscal year 2003. Will the President send up a supplemental funding request?

Mr. BROWN. I do not know, sir. You will have to ask him.

Senator BYRD. Well, why would I have to ask him?

Mr. BROWN. I do not know if the Administration plans on submitting another supplemental request.

Senator BYRD. Well, do not give me a flippant response like that.

Mr. BROWN. I am not, Senator. I am just saying I really do not know whether or not they are going to request another supplemental.

Senator BYRD. Okay. You do not have to say to me, "You will have to ask him." I know how to ask the President a question.

Mr. BROWN. Yes, sir.

Senator BYRD. And I know how to ask agency heads questions. What will happen if you run out of money?

Mr. BROWN. We will have to start delaying projects.

ASSISTANCE TO FIREFIGHTER GRANTS

Senator BYRD. Recently, the U.S. Fire Administration released a report that concluded that only 13 percent of the fire departments are trained and equipped to deal with biological, chemical or radiological weapons. With this striking weakness in the ability of our first responders to respond to a known threat, I am disappointed to see that the President's fiscal year 2004 budget proposes to cut grants to fire departments from \$745 million to \$500 million.

I am disappointed by the fact that the administration has continued to represent its \$3.5 billion proposal for first responders as an adequate level, when it in fact provides no more resources than that enacted in fiscal year 2003 for similar programs.

Given that your agency identified the weakness in firefighting programs, do you believe that the President's request is adequate?

Mr. BROWN. What we are trying to do, Senator, is to make certain that through the Assistance to Firefighters Grant Program, we get the money to where it is most needed, where there is the greatest risk.

One of the things I have talked about is that we need to take the funds we get from Congress and the Administration for the fire program, and make sure that they are used as wisely as possible.

One way I am trying to do that is to get the different fire departments to stop competing against one another, particularly when they are located close to one another or when there is some way that they can cooperate on a regional basis to better utilize taxpayer dollars.

I often use my home State of Colorado as an example. There is no reason why Denver, Boulder and Fort Collins, all located right together on the front range, should each be applying for the same equipment. What they should do is get together and figure out what their vulnerabilities are, then apply for funding based on cooperative resolution of those vulnerabilities.

I think that is a better way for the fire departments that are inadequately prepared to get the equipment that they need.

The \$3.5 billion funds the grant programs that award monies for training and equipment to combat terrorism. The purpose for which the funds are requested to be used is one of the factors considered in the peer review process to decide who should or should not be getting a grant.

Senator BYRD. So I take it that you do not believe that the President's request is adequate?

Mr. BROWN. There will always be more requests than available funds. For example, Senator, with the current \$750 million appropriation for the firefighter grants, we have well over 20,000 applications in the pipeline representing almost \$2 billion worth of requests.

Senator BYRD. Do I have any more time? Are you—

Senator COCHRAN. Can we move to these others, and come back to you?

Senator BYRD. Yes. Let us do that. Thank you.

Senator COCHRAN. Thank you, Senator.

Senator Craig.

Senator CRAIG. Well, thank you very much, Mr. Chairman. I will be brief. I do not have any detailed questions, but, Mr. Secretary, I thank you for being before this committee. I am telling you as a member of the Senate, I am one who—while I supported and will support Homeland Security as an agency and worked with everyone here to get it stood up and operating from, at least, a legal and structural point of view and a policy point of view, I was one of those that was concerned that FEMA get buried and not be as effective as I believe it has been over the last good number of years.

It is one of those agencies that I think did have the credibility in the turn-around time and did not get caught up, it seemed, in so many ways that other agencies seem to as it related to getting to its mission at hand and executing it.

I hope that does remain the case. We will continue to work closely with you on it in serving on this new committee. I am anxious to work with the chairman to make sure all of that happens, at least from the funding side that which is appropriate.

I also do not believe in backing so much money up you cannot get it out the door. I also recognize that sometimes it is important, even in critical times, that folks stand in line and wait just a little bit. It makes them a bit more efficient in the current operations and—but I will tell you that the fire money that comes to our departments across rural Idaho and across Idaho itself has been very, very effective, and I think put to use wisely and appropriately. And it has made those departments more responsive under the new responsibilities we are giving them. They are obviously going to need some help in developing the expertise necessary, so these grants are important. Thank you.

Thank you, Mr. Chairman.

Mr. BROWN. We thank you for those compliments, Senator. I appreciate that.

Senator COCHRAN. Thank you, Senator Craig.

Senator Kohl.

HOMELAND SECURITY ADVISORY SYSTEM

Senator KOHL. Thank you very much, Senator Cochran.

Mr. Brown, the current terror alert system, as it is intended to do, is causing people to be considerably alarmed and to come to attention, as well as causing considerable expense inevitably across many parts of our country. At a time when budgets are squeezed, a higher alert status has, in many cases, resulted in an increased overtime and anxiety.

Many areas of our 50 States are beginning to not take the system seriously enough, because they believe that the threat does not apply to them. This alert system could easily turn into the boy who cried wolf in that people will not take it seriously enough until it is too late.

What changes to the system is the Department considering and can we, in fact, expect changes in the future?

Mr. BROWN. I think Secretary Ridge has addressed that by trying to emphasize that the color-coded system is really geared toward the law enforcement and professional communities to give them an

idea of where they need to be in their states of readiness. And I would use FEMA, again, as an example of what to do. We are trying to get States and locals to adopt a similar type of program.

We have in our operations manual the different steps we would take at the different threat levels. Rather than implement every single one of those steps, we implement what is important based on the particular threat. We do this so that we do not have just these huge operational expenses for everything, but only for what we specifically need based on the threat.

What we would like to do is educate the State and locals to do the same thing, that whether they ratchet up completely or not is something that they can certainly do on their own. But they should consider ratcheting up only as it applies to the particular threat and to what is needed in their particular community.

As Secretary Ridge continues to push down the idea that the alert system is for the professionals, I think we will avoid your concern about crying wolf.

Senator KOHL. Well, what I was referring to is any code. Let us take the second highest, which I believe is—is that code orange?

Mr. BROWN. Yes.

Senator KOHL. Yes. Well, when we issue a code orange alert, are we intending that every community in every State across the entire 50 States are at the same level of risk and should respond?

Mr. BROWN. When the Secretary and the Attorney General make the decision to change the threat level, they are doing that based on specific intelligence that they receive—

Senator KOHL. Yes.

Mr. BROWN [continuing]. About the threat. And I would say, Senator, that based on the intelligence that the Secretary and that the Under Secretaries have received that caused the threat level to go up to orange, there is a very credible threat out there. I think it is incumbent upon us to convey that to the State and local governments as succinctly and as appropriately as we can.

Senator KOHL. What we are asking them to do is go, all—asking then all parts in all 50 States to go on an alert, and to do those things and spend that kind of money, which is consistent with the code orange—

Mr. BROWN. Yes, sir.

Senator KOHL [continuing]. Are we suggesting that Rawlins, Wyoming is at the same level of risk as Washington, D.C. and New York City?

Mr. BROWN. No. But I think where I am miscommunicating is what Rawlins, Wyoming, should do. Let us say there are 40 items that you can do at Code Orange. Rock Springs or Rawlins or some place in Wyoming instead ought to decide that they are going to do only 2 or 3 of those things, because they do not need to do all 40 of them. So they can hold down their costs by implementing that kind of system.

Senator KOHL. And so then you are suggesting that every community should make a decision?

Mr. BROWN. Absolutely.

Senator KOHL. Well, then would Los Angeles make a decision or can—are they in a position to make a decision any less than Washington, D.C. or New York?

Mr. BROWN. If I—

Senator KOHL. Because—in other words, what I am suggesting to you—and it is okay because you are just starting, or we are just starting as a country and we need refinement. It seems to me that there needs to be considerable thought, as I presume and hope will be given, and some specific direction and guidance so that all States and communities within all States can be helped to make particular and specific decisions on what these alert systems really mean and how they should be applied and how they do not apply in many cases. In fact, you know, most parts of America are very unlikely to be hit in time of terrorism.

And I have not yet heard from the Department an understanding and a recognition of that as some kind of an alert system that will account for the fact that most parts of our country are really at low risk even at times of high risk.

Mr. BROWN. Your point is very well taken, and I think it is incumbent upon FEMA, which is now part of the Department, to take its protocols and the way we decide what we should be doing or should not be doing and help the State and locals do the same thing, by giving them the tools they need to prepare based on the risk that they may face in their unique community. As you say, there may be a community that looks around and says, “Our risk really is a dam that might be blown up. So when we change threat levels we need to focus our energy on that particular vulnerability.” They might not need to do everything that FEMA suggests should be done when we go from one level to another.

TRAINING GRANTS

Senator KOHL. Thank you. Last question: As you know, State and local governments are struggling with budget cuts. Many are also working with reduced staffs because of call-ups of the Guard or Reserve; and add to this the seemingly constant elevated security alert level at times, and the Governments are struggling with skyrocketing overages, overtime costs, local and State Governments, associated with our new security threat.

As a result, many fire departments and emergency managers are not sending their people to training, because those extra hours mean even more overtime and overtime that they are not in a position to account for.

So my question is, will the Department allow the use of training grants to reimburse for overtime?

Mr. BROWN. Senator, I think I will be corrected or somebody will kick me in the chair if I say this incorrectly, but I am pretty certain that we are restricted from using the grant money for overtime. I think what we want to do instead is to try to get as much of that grant money out to the localities as possible for “train the trainer” programs. By doing so, we can push the training down to the State and local levels and not require them to go some place else for the training. I think that would help alleviate part of that problem.

Senator KOHL. Well, I think what you are saying is true, and that is what I am referring to. I am suggesting that because those training grants cannot be used for overtime—

Mr. BROWN. Right.

Senator KOHL [continuing]. And because overtime is being expended, so I am asking—and they do not have the money to compensate for that overtime—

Mr. BROWN. That is correct.

Senator KOHL [continuing]. So that they do not send their people in many cases to these training programs, which you definitely want them to do.

Mr. BROWN. That is right.

Senator KOHL. They cannot pay for it.

Mr. BROWN. That is right.

Senator KOHL. So aside from, you know, throwing up your hands and saying, “Well, you will just have to make do the best you can with these increased emergency problems and training problems,” which is not something we want to do, how else are they going to pay for this overtime—

Mr. BROWN. Well—

Senator KOHL [continuing]. Use some of this training money. You know, maybe you would suggest, well, you can use 20 percent of it or 10 percent or 5 percent, not all of it, but something that would give the States and the local governments access to some additional funding to pay for the training that is being required.

Mr. BROWN. Right. I mean, you are absolutely correct. And absent that statutory ability to do that, then what we do is try to push the training down to them to minimize and mitigate the cost of that overtime.

Senator KOHL. Say that again.

Mr. BROWN. To the extent that we have some statutory relief, which would allow us to do that—

Senator KOHL. Yes.

Mr. BROWN [continuing]. What we do in the alternative is to push the training down to the State and local levels, take it as close to that recipient as possible to minimize the amount of overtime that they have to incur in order to receive the training.

I mean, we could consider that in the 2004 grants, but we cannot do it in the 2003 grants.

Senator KOHL. Thank you.

Thank you, Mr. Chairman.

Senator COCHRAN. Thank you, Senator Kohl.

Senator Murray.

NATIONAL STRATEGY ON TRAINING

Senator MURRAY. Thank you very much, Mr. Chairman.

And Mr. Brown, thank you for being here today. I think the training we do for first responders is extremely important. I think we need to do everything we can to better prepare our communities for natural disasters or terrorist acts or whatever, you know, is out there. And I know that several directors within the Department are working on the training issue. I have talked to Secretary Ridge about this as well.

Last year, there was a lot of talk about the importance of developing a national strategy on training, and I am curious what happened to that national strategy, if you can give us an update on that.

Mr. BROWN. That is still in the works. That is one of the things that EP&R is taking on within the Department to develop. Just like we are trying to develop and put together the national response plan, we are also trying to put together a national training program at the same time.

Senator MURRAY. But we have not developed a national strategy on training as of yet?

Mr. BROWN. Not yet.

Senator MURRAY. How can—

Mr. BROWN. We still have the training programs within FEMA that will be transferring; and we are now trying to develop those kinds of strategies across all directorates.

Senator MURRAY. Well, how do we know what an appropriate level of funding is unless we know what the national strategy is on that?

Mr. BROWN. I am not sure I am equipped to answer that for you, Senator.

Senator MURRAY. Well, we will be having to make a decision on this committee on how much to put into training. And unless we know what the national strategy is it is—

Mr. BROWN. Right.

Senator MURRAY [continuing]. Going to be difficult to do.

Mr. BROWN. I will be happy to take that back and formulate an answer for you.

HAMMER TRAINING AND EDUCATION CENTER

Senator MURRAY. Okay. Last year, Mike Byne visited my home State of Washington to see the HAMMER Training and Educational Facility that is located in Richland, Washington. That is a training facility that is used by FEMA already. It is used by the Department of State, the Marine Corps, Army National Guard, Department of Energy, local law enforcement. It is an excellent facility. Can you give me an update on what the administration's consideration of HAMMER is for training purposes?

Mr. BROWN. We want to take all of the assets that we have in Homeland Security and expand those. We have not only Emmitsburg, we have the Noble Training Center. We have your facility in Washington. We want to take all of those and enhance them as much as possible, because I believe, and I think departmentwide we all agree, that whatever facilities we currently have we must expand and make them as efficient as possible and utilize them as best as possible.

Senator MURRAY. Do you have a timeline for when you will be making those decisions; and, again, I ask because we are going to have to be making some decisions about funding and management that we need to move forward on. So do you have a timeline on when you would?

Mr. BROWN. Okay. I am told that the timeline is now out to the States for them to look at to see what kind of timeline they need. There is apparently some money in ODP now, for them to develop what they want to do with the facility.

Senator MURRAY. So are the States going to be responsible for the training, or is your agency?

Mr. BROWN. We would be responsible for providing the money. But the training is actually done at the State and local levels.

Senator MURRAY. Well, the HAMMER Facility is a national facility. It is not just Washington State. It is for training for nationally.

Mr. BROWN. We have to confess we are not familiar with that one and all the programs in it, but we will look into it.

Senator MURRAY. Well, if you could, and if you could talk to Mike Byrne, because he had been out—but we cannot just say Washington State, you are going to do HAMMER.

Mr. BROWN. Right.

Senator MURRAY. It is a national training facility. It is going to take Federal funds. And we need direction on that.

Mr. BROWN. Yes, we will find out.

COMMUNITY EMERGENCY RESPONSE TEAMS

Senator MURRAY. Okay. In your testimony you talked about Community Emergency Response Teams, the CERT, which I was happy to hear you reference, because I know that that is a very valuable program for training.

I recently spoke with some of the emergency management facilities—officials actually from my State about CERT, and I got to tell you the answer I got from the ones in my State reinforces to me that the Federal Government is not doing enough in this area to prevent another attack on our country. I was told that Washington State got \$70,000 for CERT training from FEMA in 2002, and amazingly the State only recently got approval from the Department to spend the fiscal year 2002 money on training.

You—we are here today to talk about the 2004 budget. Can you explain to me why the 2002 money is just now going out the door?

Mr. BROWN. That money, Senator, was from the supplemental in August, so that is maybe why it is just now hitting the streets.

Senator MURRAY. Well, actually, my State was supposed to get \$70,000 from the 2002 budget, FEMA 2002 budget—

Mr. BROWN. Yes.

Senator MURRAY [continuing]. For CERT training. They just got approval from the Department right now to spend that 2002 money. So I am just wondering what—you know, why it is taking so long. This is from 2 years ago. It was not from the supplemental.

And my next question was going to be what about the 2003 money. Are you getting that out the door? I heard Senator Kohl talk about training and using some of that money for overtime; and I would just caution us that if the money is not getting out there for training, it is not that it is not needed for training. It is just for some reason there has been some bureaucratic hang-ups in getting it out there.

Mr. BROWN. Well, I am determined to go back and find out why, because we have an excellent reputation of getting the money out the door. I want to find out specifically why this money has taken longer than normal to distribute.

Senator MURRAY. I would—

Mr. BROWN. I will find out and get that answer back to you.

Senator MURRAY. Because I think those training dollars are extremely important, right?

Mr. BROWN. I could not agree more.

Senator MURRAY. Okay. Thank you.
Thank you, Mr. Chairman.

INTEROPERABLE COMMUNICATIONS

Senator COCHRAN. Thank you, Senator Murray.

When we were considering the supplemental appropriations bill, Mr. Secretary, in the Senate, money was added for the Emergency Preparedness and Response Directorate's disaster relief account for interoperable communications. I wonder if you could tell us if in the conference report we do make these funds available, whether they can be spent in this fiscal year.

Mr. BROWN. Senator, I have discussed that with the staff, and they assure me that we can get the interoperability funds out by the end of this calendar year. The firefighter grants will be out by the end of the fiscal year 2004.

Senator COCHRAN. How does the agency plan to deal with the fact that the budget request for 2004 does not include any funding for interoperable communications equipment within your directorate's account? But it includes it within the Office for Domestic Preparedness. How is this going to be resolved?

Mr. BROWN. We will provide ODP with program support or whatever it takes to help them, one, get the money out the door; and, two, to use it effectively.

Senator COCHRAN. Yes. Well, I assume then that other agencies within the Department can obtain the use of funds that are appropriated to the Office for Domestic Preparedness for this purpose. Is that your understanding?

Mr. BROWN. That is my understanding.

OPERATION OF EMERGENCY RESPONSE AND SUPPORT TEAMS

Senator COCHRAN. In the response division, you talk about gaining operational control—your directorate having operational control over three teams, the Domestic Emergency Support Team from the FBI, the National Disaster Medical System from the Department of Health and Human Services, and the Nuclear Incident Response Teams from the Department of Energy. How is this going to work? Will these teams essentially remain under the jurisdiction of their departments as they now exist, but simply receive funds that are allocated to them through the Department of Homeland Security?

Mr. BROWN. Well, it is a mishmash. Generally, the operational control of those different teams falls under Emergency Preparedness and Response. So, for example, the Nuclear Incident Response Teams, we will deploy those as needed. But the training and the money to fund and manage those will actually come from the Department of Energy.

Then you take the Domestic Emergency Support Team from the FBI. Again, we deploy it, but there is no money that comes over with it from the FBI. We have not yet quite figured out how we would actually deploy it and find the money to manage that deployment.

Regarding the National Disaster Medical System (NDMS), we have entered into a memorandum of agreement with HHS to have operational control of it, but to rely upon HHS again for the man-

agement and—what is the word I am looking for—to manage and—

Oh, right. Okay. I am being corrected. I am talking about the Strategic National Stockpile. In terms of the Stockpile, we do have the operational control of it, and we do have an agreement with HHS.

Back to the NDMS, we would deploy the Disaster Medical Assistance Teams in it but they do not come with any sort of money to manage or train or do anything in particular with them. We would have to enter into an MOA or MOU with HHS to do that.

Senator COCHRAN. And the NDMS is the National Disaster Medical System, right?

Mr. BROWN. That is correct. Those are the DMATS and the DMORTS.

PROJECTS BIOSHIELD AND BOWATCH

Senator COCHRAN. Well, this fits in with what we have become familiar with as project BioShield. You referred to BioWatch in your statement. Is this the same thing, or are these two different things?

Mr. BROWN. Two different things.

BioShield is the President's \$900 million proposal for the creation of the experimental or the new vaccines, and BioWatch is the program by which we are trying in several selected places to implement new monitoring and detection systems.

Senator COCHRAN. What will the role of your directorate be with respect to BioShield if it is enacted?

Mr. BROWN. We will simply act as the middle man and at some point NIH and CDC would come to us and say we think we have a product here.

On the other side, we would say we have identified a specific threat, a specific biothreat that needs to be addressed, and we would marry those two up. We would actually simply act as the middle man, the contract and the funnel for the money.

STRATEGIC NATIONAL STOCKPILE

Senator COCHRAN. Well, in terms of your relationship with the Department of HHS, will Homeland Security have the final decision-making authority over what goes into the National Pharmaceutical Stockpile?

Mr. BROWN. This is the National Pharmaceutical Stockpile, which is now called the Strategic National Stockpile. And we will rely on HHS's expertise to tell us what needs to go in there.

Senator COCHRAN. Well, will they decide what comes out or how you get access to—

Mr. BROWN. No. We will do that.

Senator COCHRAN. You will decide that.

Mr. BROWN. We will control the operations and deployment of the stockpile.

Senator COCHRAN. Yes. Well, does your directorate have the expertise to make these decisions, do you think?

Mr. BROWN. I think we do, in terms of the deployment and the response, because we have the National Disaster Medical System on our team now, thus we have already had meetings with the Sur-

geon General about creating within Emergency Preparedness and Response a medical advisory team for that very specific purpose.

Senator COCHRAN. Thank you very much. I am going to yield to others on the committee now for any other questions they may have and I may have a few in conclusion.

Senator Byrd.

FLOOD MAP MODERNIZATION

Senator BYRD. Thank you, Mr. Chairman.

West Virginia has suffered immeasurably from flooding and other natural disasters. My home State is under a disaster declaration right now due to flooding. The West Virginia Flood Prevention Task Force, which I convened, has identified strengthening the floodplain management program as the most effective way to stop the vicious cycle of repetitive flooding in West Virginia.

One of the most important tools to floodplain management is to have accurate, up-to-date flood maps. Last year, Congress appropriated \$150 million to the Flood Mapping Program at FEMA. This was the largest appropriation to the Flood Mapping Program in its history.

But by your own estimates, it will cost \$950 million to modernize all flood maps in the country, so it is important that these funds be targeted to the communities that are most at risk. I believe that flood map modernization funds should be targeted to the most flood-prone communities. And in the past, FEMA has administered the flood map modernization program by a population-based formula. Can you tell the subcommittee how you plan to administer the fiscal year 2003 and 2004 funds?

Mr. BROWN. Yes, Senator, I can. I would say that I think the task force and the effort that your State is making is commendable. We wish we could get all States to recognize that if they could get together and start doing that kind of planning, it would help us do our job even better.

We are currently doing a modernization on a strategy that was developed by a stakeholders meeting on February 5 and 6 of this year. It is based on high-population density, high-growth areas, high-risk areas; but most importantly, history of repetitive loss claims and what the policy base is, plus the ability to leverage and cost-share with the State and locals.

So while population density is important, we are trying at the same time to weigh that against the high-risk and high-prone areas.

Senator BYRD. Are you saying that you will be moving from a population-based formula for funding this program? You will be moving away from that?

Mr. BROWN. No. Population is just one criterion now.

Senator BYRD. Yes. The West Virginia Flood Prevention Task Force concluded that 18 full-time staff would be needed to properly implement flood plain management activities. But, the State can only afford to pay for one full-time staff. How would you ensure that you do not penalize States that desperately need flood-mapping resources, but whose financial straits hinder their sophistication?

Mr. BROWN. Because we want to look, Senator, at where the flood maps need to be done first based on that—those different criteria. We are not going to penalize a State simply because they may not be, for example, like North Carolina, which has a very robust program, versus a State that cannot afford to do a whole lot. We want to do it where it is going to have the most effect in terms of getting the maps out the door.

Senator BYRD. Given West Virginia's history of flooding and how outdated its flood maps are, this is a very important program to the State. The West Virginia Senate and the West Virginia House passed resolutions in January of 2003 calling on FEMA to expedite the process of updating West Virginia's flood insurance rate maps.

In the past, FEMA has used the population-based formula to distribute the flood-mapping funds. That approach does not take risk into account. This hurts States like West Virginia that are small in population, but they are at disproportionate risk of flood damage.

I understand that you intend to change the way the program is administered and take risk into account, is that correct?

Mr. BROWN. That is correct. We also increased the State funding for State flood plain management to \$1 million in fiscal years 2002 and 2003. So there should be additional resources coming for that purpose.

Senator BYRD. Very well. So, you do intend to take risk into account?

Mr. BROWN. That is correct.

Senator BYRD. All right. Thank you.

Mr. Chairman.

Senator COCHRAN. Thank you, Senator Byrd.

Senator Harkin, we welcome you as a member of our subcommittee.

Senator HARKIN. Thank you.

Senator COCHRAN. You may proceed with any questions or statements you might have.

FOOD SAFETY

Senator HARKIN. Thank you, Mr. Chairman. I have no statement, Mr. Chairman, just two little points that I would like to be able to get a response on, Mr. Brown.

And one is food security. We have talked about this. I have talked about it with Secretary Ridge. And from my—my standpoint on the Agriculture Committee and just looking, I do not see a lot really being done there. I do not know what kind of plans are being made. Maybe they are. I just—I just do not know about them. But, you know, we have so many entry points for contamination of our food supply in this country.

And I know that if it were caught, it might—you know, if something—if somebody worked to invade the food supply at one of these entry points, they probably—because of the system we have set up—it probably could be contained fairly rapidly.

However, it is the psychological impact that happens when something gets in the food supply like that, and God forbid some people die of that, what happens to the rest of this country? Because as you know, some food—let us say a meat or a meat product could

enter at some point—just a couple three points, and it could be all over the United States in the next 24 hours the way the delivery system is right now.

And yet we still continue with the same basic system that we have had for a long time. And I just want your response as to whether you think this is being due—given due consideration at the—at your department.

Mr. BROWN. I think that it is. I mean, I do not know that much about it, simply because it is something that is not in my area.

Senator HARKIN. Yes.

Mr. BROWN. But I do know that APHIS falls now under Border and Transportation Security and that Under Secretary Hutchinson is taking it very, very seriously.

But I would like to comment on a point that you made about the terror aspect. I think the mitigation factor is one important thing that FEMA brings to the table in the Department of Homeland Security. When terrorists do something, they are looking for two effects. They are looking for the immediate effect their act has, such as blowing up something or killing people.

Senator HARKIN. Yes.

Mr. BROWN. But beyond that, they are looking for the terror that act imposed, and the disruption in the economy, or society that it causes.

FEMA, I think, is well placed to mitigate those effects. If you take a natural disaster or a manmade disaster, whether it be the chemical truck that spills over accidentally or spills over on purpose because of a terrorist incident, to the extent that we can train firefighters and other first responders to minimize the effect of that chemical truck spilling over, we have taken away one of the tools of the terrorists.

Senator HARKIN. All right.

Mr. BROWN. We have mitigated against that.

Senator HARKIN. Correct.

Mr. BROWN. I want to emphasize that is the same attitude that I know Under Secretary Hutchinson takes when he is addressing the bioterror aspects of food and other agricultural products.

FLOOD MAP MODERNIZATION

Senator HARKIN. The second part is probably maybe a little bit more in your area, but I wanted to get that in about the food supply. I will every time we have a hearing on this.

And I do not know if Senator Byrd asked—I heard him talk about flooding in West Virginia, but in the—did you mention in the 2003 appropriations bill, we had put in \$150 million in additional funds for flood plain mapping. And the need for updated maps has been a long-term need across the country, and when will those funds be released? Was that the question that was asked? I do not know if that was asked. If it was not, I would like—if it was—

Mr. BROWN. Yes. Right. The Senator referred to the additional \$150 million.

Senator HARKIN. Well, when will the funds be released?

Mr. BROWN. We now have a process in place. I have learned a lot just in the past couple of weeks about panels and how we are putting different panels together around the country—

Senator HARKIN. Yes.

Mr. BROWN [continuing]. And then implementing this strategy of defining the population, the risk areas, where the repetitive losses are occurring, prioritizing those and starting to get the funds out.

The funds are going out in two different mechanisms. They are either going directly to the States which already have their own programs, or to private companies which have their own programs, so I think the funding has already started in terms of modernizing those maps.

Senator HARKIN. Well, I was not aware of that.

Mr. BROWN. I am also told that those particular funds have not been released from OMB yet. We have the strategy in place, but the funds have not been released.

Senator HARKIN. Okay. Well—and no time when, huh? And also will the funds be allocated nationally so that each region can meet its highest needs? What kind of—do you know anything about the allocation of those funds?

Mr. BROWN. Yes. It is going to be.

Senator HARKIN. Okay.

Mr. BROWN [continuing]. When I outlined the strategy to Senator Byrd earlier, that was done with the stakeholders' input and they have outlined on a national basis how we start this. We jump start it all over the country.

Senator HARKIN. Thank you very much, Mr. Brown. Thank you. Thank you, Mr. Chairman.

Senator COCHRAN. Thank you, Senator.

Senator Byrd, do you have any additional questions?

EMERGENCY FOOD AND SHELTER PROGRAM

Senator BYRD. Thank you, Mr. Chairman.

I would like to ask a question about the Emergency Food and Shelter Program. It has been well run, well managed by FEMA. Now that FEMA has moved to the new department, the President has proposed to move the program to the Department of Housing and Urban Development.

Could you state what the rationale for moving a program that had been effectively administered by FEMA to HUD may be?

Mr. BROWN. The administration's position was that the Emergency Food and Shelter Program was really not quite in sync with the traditional role of FEMA, and more appropriately belonged in Housing and Urban Development.

Senator BYRD. And Congress specifically chose to keep the program in FEMA in the fiscal year 2003 omnibus appropriations bill and rejected the President's proposal to move the program to HUD. Are you committed to implementing the program in fiscal year 2003?

Mr. BROWN. Absolutely, Senator. If it stays with FEMA, we will continue to implement it. If it moves, we will do everything in our power to assist HUD in keeping that same high-level standard of operation.

Senator BYRD. Well, I hope that the program does not fall through the cracks at the Department. It is a popular program in our communities. And it helps to address the growing crisis of homelessness.

INTEGRATION OF FEMA INTO DHS

I have one more comment, then one more question, Mr. Chairman.

In the past, the vast majority of FEMA's activities have been in preparation for and in response to natural disasters. FEMA is an all-hazards agency. But like many other Federal agencies since September 11, FEMA has provided increased resources to responding to terrorist threats.

What steps are you taking within the new Department to make sure that your new agency's ability to respond to natural disasters is not affected by its integration into the Department of Homeland Security?

Mr. BROWN. A couple of things, Senator. First of all, I want to just state for the record that I am absolutely personally committed to making certain that we do not lose that capability and that approach.

But to specifically give you some examples of how we are doing that, first and foremost, in the realignment that I am taking FEMA through right now, we are realigning it along the traditional lines of emergency management—preparation, response, recovery, and mitigation. Those will be the four main functions of this particular directorate.

I think it is important, secondly, that you understand that I am going to do everything in my power to maintain our relationship with State and local governments. I think you have heard Director Albaugh say this, and I think Secretary Ridge has said it. I want to repeat it, that when there is an emergency, they do not dial 202, they dial 911.

The people who respond are the State and local governments. We must continue to keep them in the loop and recognize that they are the first responders. Those are the ones that we have to make certain are prepared and know how to respond.

I cannot resist giving the example of the barge that started burning in New York Harbor a few months ago and there was a feeling that we ought to go do something, when, in fact, it was a simple barge fire. I mean, not to minimize the effect of a barge fire, but it was a barge fire in New York Harbor, and it is something that the State and locals are trained to respond to and which they did quite well.

We must maintain that focus. FEMA's focus must be on responding when something is beyond the State and local capability.

Senator BYRD. Well, there has been a great deal of concern that State and local preparedness for natural disasters could be impacted adversely by the integration of FEMA into the new Homeland Security Department. In my own case, I am very conscious of the natural disasters that occur so often, coming from a mountainous country as I do, and having experienced so many times over these past 50 years, Mr. Chairman, responding to communities that have been stricken in those flood-prone valleys; and having responded by seeking appropriations for water resources projects, reservoirs, and so on. My constituents and I are very concerned about this.

The Homeland Security Act instructs FEMA to maintain its all-hazards focus. But, the threat of terrorism and the Department's emphasis on it could overshadow the emphasis on natural disasters. I have been comforted by the responses given by Mr. Brown to my questions.

EMERGENCY RESPONSE AND SUPPORT TEAMS

You have not requested funding for the National Domestic Preparedness Office, the Domestic Emergency Support Teams, or for the Metropolitan Medical Response System; but your directorate is responsible for administering these programs. How will you pay for them?

Mr. BROWN. We are currently going through a process of analyzing what is actually in the budgets of those particular programs in the other departments, and seeing what we can get out of those departments to help fund those.

PRE- AND POST-DISASTER MITIGATION

Senator BYRD. Will pre-disaster mitigation and disaster relief activities suffer in your judgment?

Mr. BROWN. No, sir. They will not.

Senator BYRD. What makes you think that?

Mr. BROWN. Because I think that the State and locals recognize that pre-disaster and post-disaster mitigation are both viable programs, and that in either direction we go, pre-disaster or post-disaster, we can minimize the effects of disasters. If we do it pre-disaster, we can do it based on our longstanding understanding of where the risks are, of encouraging the States to come in with plans, with the best mitigation programs for their States and for their risks.

If we do it post-disaster, we will continue to do the same thing we have done in the past, to go into a place where it has been hit hard, where there is the motivation to do mitigation programs. Either way, we can make it work.

Senator BYRD. Thank you, Mr. Secretary. I want to help you when I can.

And I want to thank you, Mr. Chairman, for having a good initial hearing. I think it has been a good one. You have been most fair. I appreciate the time you have allotted me to ask questions.

Senator COCHRAN. Thank you, Senator Byrd. We appreciate your being here today and contributing to the hearing in the way that you have, as well.

SEVERE ACUTE RESPIRATORY SYNDROME

Mr. Secretary, earlier today, I attended a hearing of the subcommittee that appropriates money for the Department of Labor, Health and Human Services, and we had before the committee the heads of the National Institutes of Health and the Centers for Disease Control and Prevention. Dr. Gerberding, who is the head of CDC, answered some questions, a few of which I asked, about this Severe Acute Respiratory Syndrome (SARS) virus that is scaring everybody from China to Mississippi and West Virginia. People are concerned about it, and they are fearful about what the con-

sequences could be and how widespread it is going to be and who all is going to be affected and what we can do about it.

And the medical community, of course, is talking about precautions that ought to be taken, and she responded to some questions on that subject. My question is what is the interaction that you expect to occur between the Centers for Disease Control and your directorate in the investigation of sudden disease outbreaks such as this?

Mr. BROWN. I think we have already established a very good precedent. When SARS initially broke out three or four weeks ago, we had conference calls—I believe it was a Saturday or a Sunday—where we started immediate interaction with them. Do we need to deploy anything from the stockpile? What do we need to do in terms of responding at all?

I think we have already established those great lines of communication.

Senator COCHRAN. Does this relationship relate to both terrorist activity, bioterrorism, as well as naturally occurring virus outbreaks such as SARS? Is this handled in any different way between you and the Centers for Disease Control?

Mr. BROWN. No. I think SARS is a good example of the biomedical programs and material that are coming into FEMA. It shows that we are able to respond and communicate regardless of what the source of the disease or the outbreak is; and that we are willing to open those lines of communications and discuss what is appropriate for the response.

Should FEMA and EP&R be doing something? Should the CDC or NIH be doing something? I think it is just a good precedent we started with the SARS outbreak.

EMERGENCY MANAGEMENT PERFORMANCE GRANTS

Senator COCHRAN. Yes. Let me ask you about another subject, the Emergency Management Performance Grants. This is a program that was funded in fiscal year 2003 in the amount of \$165 million, which was \$49 million over what was requested by the President. But in this budget request, there is no money being proposed, as I understand it. Are we missing something? Is it somewhere else in the budget and we just cannot find it, or is there no request for the Emergency Management Performance Grant program? Do you know?

Mr. BROWN. I have not found it, Senator, and I think that we need to recognize that the Emergency Management Performance Grants are something that is vital to State and local governments for them to operate and maintain their emergency operation centers and their staffs. I just think it is a very important program. We very much appreciate the additional money you gave us.

Sixty percent of the \$165 million is already out the door.

Senator COCHRAN. Yes. Well, it seems to me that this program could contribute significantly to the challenge of securing our homeland, because these funds are used by local governments, as I understand it, to improve the capacity of State and local emergency management systems to function in times of emergency and in first responder situations.

Do you share my views of the importance of the program and that it could be very useful in helping to secure our homeland?

Mr. BROWN. I think it is very good for State and local governments, yes.

DISASTER RELIEF FUND

Senator COCHRAN. My last concern is that you mentioned earlier there was a shortfall in funding of the Disaster Relief Fund. That is a little troubling to me; because this last weekend, when I was in Mississippi on my way back to Washington, there were a lot of thunderstorms throughout our State, the mid-part of Mississippi. It was under thunderstorm warnings for the better part of the afternoon, and a tornado hit Meridian, Mississippi. And I was headed north to fly out of the northern part of the State.

But my question is, if funds are needed for assisting local governments like that and you say there is a shortage of funding for the Disaster Relief Fund, I am worried that if we do not put something in the supplemental, we are going to be neglecting our responsibilities to these local governments.

You pointed out how there were funds in the pipeline. There were needs out there and that OMB might be called upon to reallocate or do something to make up the shortfall. My question is, are supplemental appropriations required at this time for the Disaster Relief Fund? There is no request for the funds. What is the supplemental appropriation requirement?

Mr. BROWN. Senator, if you wanted to go back to the historical traditional funding of the Disaster Relief Fund, it would probably be somewhere in the ballpark of, I think, \$1.4 billion.

It would be \$1.4 billion to get us back up to where we were.

Senator COCHRAN. That is in addition to what has already been spent in this fiscal year?

Mr. BROWN. Correct. That is correct.

Senator COCHRAN. Well, I thank you very much. I think your responses and your enthusiasm for the challenges of this job are reassuring, certainly to me, and I think we are in good hands with you serving as Under Secretary of this Department's Emergency Preparedness and Response Directorate, as it is now called.

I remember when James Lee Witt came before the Governmental Affairs Committee. He came up for confirmation, and he had been a local office holder in Arkansas. President Clinton had named him as his first administrator of FEMA. And he came by to make a courtesy call to talk about what he could expect and what would be asked of him, and what he needed to prepare to do at his confirmation hearing. And he was really kind of nervous about the whole prospect.

He had seen things on TV that had scared him about what could happen to you in hearings like that. But I could tell right away he had the kind of disposition and commitment that was probably going to equip him to be an excellent administrator.

And as it turned out, well, he handled himself very well at that hearing. I just said, "Be yourself. Do not worry about it. Just try to be as direct and candid with your responses as you can. Nobody is going to be out to embarrass you. They all understand that you have never been at a hearing like this." And he did perform well.

And he performed well as an administrator, because he really sincerely cared about the people that needed help from that Federal agency. And I think we have been blessed over time with a lot of people like him. Joe Albaugh was like that. He really wanted to make sure that when people needed help from the Federal Government, from his agency, they were going to get the help they needed.

And he was personally out there seeing that they got it. And I think you are that same kind of person too. And I am pleased to see you serving in this position, and I wish you well. And you can be assured that our committee is going to support you and try to help you do your job and to do it well.

Senator BYRD. Mr. Chairman, I wonder if the Secretary feels the \$1.4 billion that he said is needed to bring it up is necessary. Does he feel it is needed? Does he feel that the supplemental should carry that?

ADDITIONAL COMMITTEE QUESTIONS

Senator COCHRAN. I do not want to answer his question again for him, but he said yes.

Senator BYRD. He did?

Senator COCHRAN. Yes.

Senator BYRD. I did not hear him say yes.

Senator COCHRAN. Well, he did.

Senator BYRD. Did he?

Senator COCHRAN. Is that what you said?

Mr. BROWN. Yes, sir.

Senator BYRD. Okay. I do not have any hearing aid.

Okay. I—did you say yes?

Mr. BROWN. Yes, sir.

Senator BYRD. Okay.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

ALL-HAZARDS APPROACH

Question. Please explain the steps you are taking to ensure those non-homeland security functions within the Emergency Preparedness and Response directorate are being preserved.

Answer. The Emergency Preparedness and Response Directorate was created to ensure that the Department maintains its ability to respond to emergencies and disasters of all types. The Directorate is composed of the primary disaster response, recovery, mitigation, and preparedness programs formerly provided by the Federal Emergency Management Agency.

While terrorism requires immediate and direct attention in the present environment, our core mission is to provide leadership and support to reduce the loss of life and property, and to protect our Nation's institutions from all types of hazards through a comprehensive, risk-based, all-hazards approach. The Emergency Preparedness and Response Directorate continues to take an all-hazards approach to preparedness, response, mitigation, and recovery, and we continue to work with State and local governments, as well as the first responder community, to this end. This consolidation of national response assets allows the Federal Government not only to provide the services that the American people have become accustomed to during emergencies and disasters and which existed prior to the establishment of the Department, but also enhances our ability to maximize Federal resources, streamline delivery processes, and focus programs and assets on State and local needs.

However, we are not resting on our past achievements. We will be working with the Congress, other Federal partners, State and local leaders, and other affected stakeholders to continue to enhance our ability to respond effectively to all types of disasters.

The focus of the disaster programs formerly within FEMA was one of an all-hazards approach. The all-hazards approach remains the focus and benefits from the more global perspective of the Department and its related components.

Question. How has Operation Liberty Shield and the increased needs associated with elevating the terrorist threat level to orange affected the non-homeland security functions of Emergency Preparedness and Response?

Answer. The Emergency Preparedness and Response Directorate's Response Division maintains the ability to monitor, analyze, and respond to situations resulting from any type of incident. Our response programs are designed in an all-hazard manner to allow for timely and effective response to emergencies and disasters. With the realignment of Federal response assets into one centralized operational component, this capability is enhanced.

With Operation Liberty Shield, we have experienced increased costs associated with the protection of our facilities, as well as with enhanced operational readiness. At the same time, we have also maintained a more robust monitoring and assessment operation in support of the Department's overall activities.

INTERNAL REORGANIZATION

Question. Where are you in the process of internal reorganization? When can we expect to receive notice of the changes you are making?

Answer. The Emergency Preparedness and Response Directorate has been assertively pursuing internal reorganization as an effective means of supporting the DHS mission and commitment to the American public as well as the President's Management Agenda. Under Secretary Brown has met individually with senior leadership/management of the Directorate to discuss internal strategic goals, related priorities, and proposed restructuring designed to enhance capabilities and effectiveness linked directly to the overall DHS mission.

The Emergency Preparedness and Response Directorate is finalizing its realignment plan, which integrates the Federal disaster response, recovery, mitigation and preparedness assets. Our main focus during this process has centered on taking a careful look at the effectiveness of existing programs, the processes necessary to fully integrate disaster response programs from other Federal agencies, and meeting the President's direction to establish a National Incident Management System while maintaining full mission readiness to respond to emergencies and disasters regardless of origin.

We expect to initiate this realignment in the near future, but achievement of the full realignment may not be realized until later this year in order to ensure that we maintain our capabilities during the upcoming hurricane season. Pending the official realignment of operations within the Directorate, we will be working to affect the immediate aligning of personnel to meet mission critical requirements and maintain our response readiness capabilities.

Question. Will the Department seek to change the account structure for Emergency Preparedness and Response to reflect this reorganization? Would it be beneficial to restructure the accounts?

Answer. We have no plans to change the appropriation account structure beyond what has already been proposed in the fiscal year 2004 Budget. However, as we realign our organization, we may change the budget activity breakdown that is shown within an account for the fiscal year 2005 budget request.

ASSISTANCE TO FIREFIGHTER GRANTS

Question. Can you explain why the fiscal year 2004 budget request shifts the Assistance to Firefighter Grants program from FEMA to the Office for Domestic Preparedness?

Answer. Financial assistance to States for State and local first responder terrorism preparedness is being consolidated through the Office for Domestic Preparedness. For years, States and localities have asked for a one-stop shop for grants. The proposal to shift grants for first responders, including those for firefighters, to ODP will accomplish this goal. This shift will also allow these grants to be more focused on terrorism preparedness and better integrated with other State and local funding priorities. However, key aspects of the current program, peer review of competitive funding proposals and direct grants to fire departments, will be retained in ODP. The move to ODP will enhance program coordination with DHS' first responder programs, which is the key goal of the move.

Question. What concerns do you have regarding this shift in the administration of such an important grant program?

Answer. We believe that ODP will ensure that the program maintains its high level of efficiency and cost effectiveness. EP&R looks forward to working closely with ODP to make sure that this program will succeed in enhancing the terrorism preparedness of our Nation's firefighters.

Question. What has been the demand for these grants?

Answer. In its first year (when departments were allowed to submit two applications) the program received grant requests from about 18,980 departments totaling approximately \$3 billion. In fiscal year 2002 (when only one application per department was allowed), the program received requests from approximately 19,550 departments totaling \$1.9 billion in Federal dollars. This year, the program received more than 19,950 requests totaling approximately \$2.1 billion. However, it should be noted that most major Federal grant programs receive more funding requests than they can fund.

INTEROPERABLE COMMUNICATIONS

Question. When can we expect to receive a plan for how the \$25 million for interoperable communications equipment will be allocated? Please give us an update on your progress.

Answer. The implementation of the fiscal year 2003 interoperable communications equipment grant program will be coordinated between the Department of Homeland Security and the Department of Justice, Office of Community Oriented Policing Services (COPS); both departments received funding in fiscal year 2003 for interoperable communications equipment grants, with the direction to coordinate their efforts. In the fiscal year 2003 Consolidated Omnibus Appropriation, EP&R received \$25 million for this purpose, and COPS received \$20 million (out of this, \$5 million will go to the National Institute of Standards and Technology (NIST) and \$3 million to the National Institute for Justice's AGILE Program).

We are aware that Congress has expressed interest in providing additional funds for interoperability communications as part of the Wartime Supplemental. If additional funding is provided, we believe it would be advisable to run a single application process for all 2003 funds. We will work with COPS to provide an allocation plan as soon as possible.

Question. Have you obligated any of the \$25 million that was appropriated for fiscal year 2003?

Answer. No. All COPS and EP&R funding for interoperability will be awarded through a coordinated process which includes peer review. Grant awards will be made in the fourth quarter of the fiscal year. EP&R and COPS anticipate that awards will range from \$50,000 to \$2 million per proposal, and expect the funds to be distributed in September.

Question. How does the agency plan to address this issue in fiscal year 2004, since no funding was requested in the Emergency Preparedness and Response budget?

Answer. The funding that will be awarded in fiscal year 2003 through the coordinated COPS/EP&R effort will provide funding to jurisdictions across the Nation for demonstration projects that will explore uses of equipment and technologies to increase interoperability among the fire service, law enforcement, and emergency medical service communities. These demonstration projects will illustrate and encourage the acceptance of new technologies and operating methods to assist communities in achieving interoperability.

Once technology is proven and accepted, standards will result that will serve as the basis for future communication equipment purchases. We anticipate that in future years, all equipment that would be purchased by the first responder community would meet the requirements of the standard. Funding for this equipment may be provided through the \$3.247 billion in first responder grants in the Office for Domestic Preparedness. Over the last few years, approximately 17 percent of ODP grant funds has been used for communications equipment. If this average holds true in fiscal year 2004, the result will be a nearly four-fold increase in the interoperability funding.

Question. How will FEMA continue the implementation and operation of the systems put in place with the funding provided in fiscal year 2003 if no funding is provided in fiscal year 2004?

Answer. While there is a maintenance financial obligation associated with all equipment purchases, the Administration believes Federal grant funding should be focused on enhancing and improving communications, not maintaining current investments. The funding available in fiscal year 2003 will be used to demonstrate the technologies and operating methods that will best assist communities in achiev-

ing interoperability. Office for Domestic Preparedness grant funds can support additional enhancements, but maintenance of these systems is largely a State and local responsibility.

Question. Does the Department of Homeland Security anticipate developing a system that allows other agencies from within the Department to access funding for interoperable communications through the Office for Domestic Preparedness?

Answer. The Department of Homeland Security does not anticipate developing a system that allows other agencies from within the Department to access funding for interoperable communications. The purpose of this funding is to allow local governments and first responders to demonstrate interoperable communication equipment to help DHS benchmark an acceptable standard. Federal agencies' interoperability needs should be addressed as part of their ongoing equipment acquisition process.

MITIGATION DIVISION

Question. Please give us an update on the implementation of the two pre-disaster mitigation grants and flood map modernization.

Answer. The fiscal year 2003 Omnibus appropriations bill provided \$149 million to the National Pre-Disaster Mitigation Fund to initiate a competitive grant program for pre-disaster mitigation planning and projects for State, Tribal, and local governments. Such hazard mitigation plans and projects will reduce overall risks to the population and structures and, in the long term, will reduce reliance on funding from disasters declared by the President.

As part of the fiscal year 2003 appropriations, EP&R was directed to provide grants of \$250,000 to each of the 50 States and five other recognized entities for hazard mitigation planning, for a total allocation of \$13.75 million. The Notice of Availability of Funds for the planning grants was published on March 3, 2003. Applications are due to EP&R by April 30, 2003.

EP&R currently is putting in final form the fiscal year 2003 guidance for the competitive Pre-disaster Mitigation (PDM) Grant Program, with an emphasis on factors such as cost-effectiveness, States' priority ranking, technical feasibility, and consistency with other Federal programs.

EP&R is also finalizing the guidance for the Flood Mitigation Assistance (FMA) Program for fiscal year 2003. As in prior years, EP&R will award planning, technical assistance, and flood mitigation project grants under the FMA program. For fiscal year 2003, we have established (as a national priority) mitigating repetitive flood loss properties, insured under the National Flood Insurance Program, through the PDM and FMA programs.

EP&R's fiscal year 2003 appropriations included \$149 million for Flood Map Modernization. In March, program staff met with key stakeholders to finalize the approach for the inaugural-year implementation. In April, the synopsis for a performance-based management contract was published. The implementation strategy for this initiative includes an emphasis on partnering with Federal, State, and local organizations to accomplish three things: 1. Leverage Federal and other public funds; 2. Increase local capability to produce and maintain flood and other hazard data; and 3. Facilitate data management by those who will benefit most from the information.

The National Flood Map Modernization strategy will be implemented through two approaches. The first approach focuses on highest-risk areas, as identified by our State and local partners, immediately supporting our goal to reduce losses of life and property. Highest risk areas are those with high growth, high population, and a history of significant flood losses. We are investigating the feasibility of basin-wide studies to take advantage of economies of scale in these areas. The second approach involves capitalizing on areas that have data that can be quickly and efficiently leveraged into usable flood hazard data.

Question. What has been the response to date for pre-disaster mitigation grant applications?

Answer. The Notice of Availability of Funds (NOFA) for the planning grants was published on March 3, 2003. Applications are due to EP&R by April 30, 2003.

EP&R is currently finalizing guidance for the competitive Pre-disaster Mitigation (PDM) Grant Program and the Flood Mitigation Assistance (FMA) Program. Applications for the competitive PDM will be due 90 days after the publication of the NOFA, and we expect to begin awarding PDM grants in September 2003.

Since the FMA funding is 2-year funding, applications will be accepted from the date of publication of the fiscal year 2003 guidance until March 2004. We expect to award FMA grants beginning in July 2003.

While none of the application periods for the various grants has closed, we have received numerous inquiries and expect States to actively pursue grants through these programs.

Question. What are the funding needs to continue these initiatives in fiscal year 2004? Is the President's budget request sufficient to meet these needs?

Answer. In fiscal year 2003, Congress provided \$20 million for the Flood Mitigation Assistance Program (FMA), \$149 million for the Pre-disaster Mitigation (PDM) Grant Program, and reduced the standard formula for the Hazard Mitigation Grant Program (HMGP) from 15 percent to 7.5 percent. The increase in the PDM program for fiscal year 2003 offsets the reduction in the HMGP, based on average annual HMGP funding levels.

For fiscal year 2004, the President's budget proposes a level of funding similar to that provided in fiscal year 2003, with a total of \$300 million proposed for the FMA and PDM programs combined. The FMA and PDM programs provide a significant opportunity to raise awareness of risks, and reduce the Nation's disaster losses through risk assessment and mitigation planning. These programs will permit the implementation of pre-identified, cost-effective mitigation measures before disasters occur. Examples of these measures include establishing disaster-resistant building codes, and retrofitting structures to protect against wind, seismic, or flood hazards.

The Administration is requesting \$200 million in Flood Map Modernization funding for fiscal year 2004. Multi-year funding is needed to update the entire national flood map inventory to digital format.

RESPONSE DIVISION

Question. Which functions (budgets, personnel, daily operations, etc.) of the Domestic Emergency Support Team, the National Disaster Medical System and the Nuclear Incident Response Teams transferred from the Federal Bureau of Investigation, the Department of Health and Human Services and the Department of Energy to the Department of Homeland Security (DHS)? What is meant by operational control?

Answer. The National Disaster Medical System's (NDMS) operations, budgets, and authorities have been transferred into the DHS. DHS and the Department of Health and Human Services (HHS) have entered into a memorandum of understanding that provides the basis for HHS continued administrative support for personnel, procurement, finance, and other administrative systems until these functions can be moved to DHS or beginning in fiscal year 2004, whichever is sooner. HHS continues to support the personnel system used for the activation of approximately 8,000 civilian volunteers. Although the personnel system continues to reside within HHS, this has not adversely affected the readiness of the NDMS. The NDMS legislative authorities (Public Law 107-188) transferred to DHS, and the Under Secretary for Emergency Preparedness and Response became the head of NDMS. For NDMS, operational control means managing the System on a day-to-day basis, including authority to activate and deploy, and to direct and manage response teams when they are deployed to an incident. DHS is also responsible for the strategic development of the response teams.

The Domestic Emergency Support Team (DEST) is a multi-agency response element. The operational control of the DEST transferred from the FBI to DHS on March 1st. While each agency supplies their own personnel and equipment to the DEST, DHS has assumed the administrative and logistical responsibilities for the team.

All program management responsibilities for the Nuclear Incident Response Teams, including budgeting, staffing, training, equipping, strategic planning, and maintenance, remain with the Department of Energy. The responsibility for establishing standards, certifying accomplishment of those standards, conducting joint and other exercises and training, evaluating performance, and providing funding for homeland security planning, exercises and training, and equipment is now the responsibility of the Department of Homeland Security.

The emergency response assets of the Department of Energy's National Nuclear Security Administration (NNSA) will deploy at the direction of the Secretary of Homeland Security, through the Under Secretary for EP&R, with the exception of the regional Radiological Assistance Program (RAP) teams, which retain the authority to self-deploy. While deployed, the emergency response assets fall under the operational control of the Secretary of Homeland Security for the length of the deployment. Operational control is the authoritative direction over all aspects of nuclear/radiological operations and provides the authority to perform those functions of command and control over the response assets involving planning, deploying, assigning tasks, designating objectives, and giving authoritative direction necessary to

accomplish the mission. Operational control provides full authority to organize the deployed assets as the Secretary of Homeland Security, through the Under Secretary for EP&R, or his designee, considers necessary to accomplish assigned missions. It does not, in and of itself, include authoritative direction for logistics or matters of administration, discipline or internal organization. All operational functions will be coordinated through the Under Secretary for EP&R or his designee, and will be consistent with current Presidential Decision Directives, Executive Orders, and interagency contingency plans. All deployed assets will support the designated Lead Federal Agency and the On-Scene Commander.

Question. Will the three teams essentially remain at their current departments but receive funding through the Department of Homeland Security?

Answer. The Emergency Preparedness and Response Directorate is undertaking the integration of these programs within the overall Federal response structure to ensure that these programs are mission capable to operate within the National Incident Management System. As such, the Department will fund these programs to mission capability standards. We will also be looking for ways to achieve cost savings during this process. The integration of these teams, as well as the capabilities of the Urban Search and Rescue Teams, offers the Federal Government the overall capability to meet emergency and disaster requirements in a more efficient and effective manner.

Question. Do you foresee any obstacles in this arrangement to the successful operation of these vital systems?

Answer. The integration of operations, personnel and assets will present challenges, but it will also create opportunities for enhancement of programs and processes to better meet the needs of our clients.

Question. What will the Emergency Preparedness and Response role be with respect to BioShield if enacted into law?

Answer. The DHS role with respect to BioShield, if enacted, will be to: assess current and emerging threats of use of chemical, biological, radiological or nuclear agents; to determine which of such agents present a material risk of use against the population; and to act as a prudent manager of any funds made available through the BioShield authority. The Emergency Preparedness and Response role would be to ensure the timely inclusion of items procured through Project BioShield into the Strategic National Stockpile, and in cooperation with HHS, to ensure that Federal and State partners are well equipped to receive and distribute allotments of these new countermeasures, as necessary.

The SNS will be able to maintain and deploy the innovative/new medications and vaccines that become available under Project BioShield. NDMS medical response teams will be able to utilize any new or innovative vaccines and medications in their response to the event.

Question. Does the Department of Homeland Security have final decision making authority over what products go into the stockpile, and what products will be dispensed from the stockpile?

Answer. No. Under the law, the Department of Health and Human Services (HHS) is responsible for determining the content and quantity of items that go into the SNS. DHS, however, is responsible for working with HHS to provide the intelligence assessments of the risks of specific threats that the content of the SNS must address. DHS is also responsible for funding the SNS, which gives it the fiduciary responsibility to ensure that funds spent on additions to the SNS are used appropriately. DHS does have final decision making authority over the products that the SNS releases.

The Director of the NDMS will participate in workgroups that provide assistance in the development of the formulary for our response teams to have the necessary information about the medications and vaccines in the SNS in order to provide the most effective response.

Question. If the Department has the authority, does it have the medical expertise to make these decisions?

Answer. The Department's Strategic National Stockpile, housed in the Centers for Disease Control and Prevention (CDC), identifies treatment protocols for specific threats and works closely with public and private subject matter experts in medicine, emergency response, public health and other disciplines to define the most efficacious and cost effective items for protecting the American public.

Subject matter experts within HHS, DHS, DOD and other Federal agencies provide expertise in formulary development and oversight. The SNS also includes nationally recognized law enforcement, scientific, and medical experts from the non-Federal civilian sector to assist with the review of the SNS formulary.

Question. Based on the development maturity and production readiness of the needed vaccines and medications in the next 18 months, can the Department effectively and efficiently spend such a large amount of funds in one fiscal year?

Answer. If the vaccines and medications are available, we will be able to purchase appropriate pharmaceuticals including vaccines, antitoxins, and antibody enhancing drugs. However, production constraints may result in the delivery of these items over a multi-year period.

Question. How many different vaccines and medications actually will be ready for Department of Homeland Security purchase in the next 18 months, and what is the cost estimate for each?

Answer. There will be continued procurement of currently produced smallpox vaccine (Acambis) and anthrax vaccine (BioPort), as well as heptavalent and pentavalent botulinum antitoxin that will be produced in the next 6–18 months (Cangene). In addition, two new vaccines are expected to be ready for procurement through project BioShield within the next 18 months. These include a new-generation anthrax vaccine, as well as a new smallpox vaccine. The costs of the new-generation vaccines are not yet available, but a working group is meeting regularly, and determining costs is one of their top priorities.

Question. Please provide for the record a detailed statement demonstrating for each vaccine and medication its development maturity and production readiness and how that status supports obligation of specific funding amounts in fiscal year 2004.

Answer. Initiatives to support the intermediate-scale advanced development of rPA and MVA vaccines are planned for late fiscal year 2003 and early fiscal year 2004 respectively. These initiatives may include collection of preclinical and clinical data, such as: production and release of consistency lots; formulation, vialing and labeling of vaccine; development of animal models in at least two species to support the FDA animal rule; process, assay and facility validation; and clinical evaluation in initial phase II trials.

For next-generation recombinant Protective Antigen (rPA) anthrax vaccine, two candidate products are in early product development. Preclinical data for this vaccine are expected to be submitted between July 2003 and September 2004, and clinical data are expected to be submitted by March 2004. The estimated date for completion of this phase of the rPA vaccine project is June 2004. For next-generation Modified Vaccinia Ankara (MVA) smallpox vaccine, two candidate products are in early product development. Preclinical data for this vaccine are expected to be submitted between July 2003 and September 2004, and clinical data are expected to be submitted by June 2004. The estimated date for completion of this phase of the MVA vaccine project is September 2004.

Question. Mandatory spending can reduce Congress's oversight and visibility into a program and its ability to determine appropriate funding levels. Why did the Department seek these funds through mandatory spending instead of through annual appropriations?

Answer. As demonstrated by the support shown by Congress in passing the Bioterrorism bill last year, Members have demonstrated their support for expediting the progress in acquiring drugs and vaccines to protect our citizens from bioattack. The Administration proposes this permanent, indefinite authority to allow the government to purchase a vaccine or medication as soon as experts agree it is a safe and effective means of protecting the American people against a serious threat from bioterrorism. This authority will also serve to assure potential manufacturers that if they can create a safe and effective product needed to counter bioterrorism threats, the government can purchase it. The Administration recognizes that this is an extraordinary request designed to meet an extraordinary threat, and will continue to work with Members and the relevant Committees to demonstrate the checks and oversight embedded in this proposal. The Administration's intent is to accelerate the production of urgently needed countermeasures, not to circumvent Congressional oversight.

Question. What information can the Department of Homeland Security provide the Subcommittee to demonstrate that mandatory spending and not annual appropriations is required to effectively accomplish this program?

Answer. It is clear that the pharmaceutical and biologics industry need incentives to engage in R&D, testing, and manufacture of countermeasures to biological and chemical threat agents. The President announced Project BioShield—a comprehensive effort to develop and make available modern, effective drugs and vaccines to protect against attack by biological and chemical weapons or other dangerous pathogens. Specifically related to the question, the proposed legislation for Project BioShield will ensure that resources are available to pay for “next-generation” medical countermeasures. The proposed legislation creates a permanent indefinite funding authority to spur development of medical countermeasures. This authority will en-

able the government to purchase vaccines and other therapies as soon as experts believe that they can be made safe and effective, ensuring that the pharmaceutical and biologics private sector devotes efforts to developing the countermeasures. The Secretary of Homeland Security and the Secretary of Health and Human Services will collaborate in identifying critical medical countermeasures by evaluating likely threats, new opportunities in biomedical research and development, and public health considerations. Project BioShield will allow the government to buy improved vaccines or drugs for smallpox, anthrax, and botulinum toxin.

Use of the proposed BioShield authority is currently estimated to be \$5.6 billion over 10 years. However, under the proposed authority, funds would also be available to buy countermeasures to protect against other dangerous pathogens, such as Ebola and plague, as soon as scientists verify the safety and effectiveness of these products.

Question. What is the interaction between the Centers for Disease Control and the Emergency Preparedness and Response Directorate in the investigation of a sudden disease outbreak, such as Severe Acute Respiratory Syndrome?

Answer. EP&R monitors the status that CDC provides as it investigates sudden disease outbreaks such as Severe Acute Respiratory Syndrome. Should the outbreak threaten to overwhelm the ability of State/local government's ability to deal with it, EP&R will deploy the SNS and/or rapidly mobilize the support of multiple Federal agencies under the Federal Response Plan. EP&R may also activate the National Disaster Medical System (NDMS). CDC and EP&R are seeking an even closer working relationship to enhance coordination with the SNS via an MOU.

EP&R personnel participated in a number of teleconferences with CDC and HHS during the early stages of the investigation. Involvement from the SNS occurs on a daily basis. Additionally, medical personnel from the EP&R NDMS section review the daily CDC updates on SARS, and interact with personnel from HHS on a regular basis.

Question. Does this relationship change based upon the determination of the origin of a sudden disease outbreak (i.e. naturally occurring or terrorist related)?

Answer. No, the relationship would not change. Generally, HHS is the lead Federal department in health emergencies, irrespective of whether those emergencies are caused by terrorist attacks, natural disasters, outbreaks, or technological accidents. HHS responds through its public health agencies and resources, including CDC, the Health Resources and Services Administration, and the Food and Drug Administration. EP&R would also respond to both naturally occurring and terrorist health-related emergencies with the SNS and NDMS. If the President were to declare a major disaster or an emergency under the Stafford Act, EP&R, as the lead consequence management agency would assume overall responsibility for coordinating the Federal response. HHS, however, is the Federal lead under the Emergency Support Function for health (ESF 8).

EMERGENCY MANAGEMENT PERFORMANCE GRANTS

Question. Please explain why funding for Emergency Management Performance Grants was not included in the President's fiscal year 2004 budget request.

Answer. The Emergency Management Performance Grants are consolidated into the President's fiscal year 2004 budget request for first responder grants in the Office for Domestic Preparedness. This reflects the Administration's belief that State emergency management and homeland security planning should be integrated with State-level homeland security efforts. Within the \$3.6 billion request for ODP, approximately \$150 million will be allocated to non-personnel costs previously covered by EMPG, including State and local strategic planning and development of all-hazard operations plans. Personnel integral to the administration and planning necessary to build sufficient Federal plans and capacity are consistent with meeting Federal responsibilities and will be supported. Personnel directly meeting the important daily requirements of a State or local government are expected to be supported at that level of government.

Question. Is consolidation of the Emergency Management Performance Grants into ODP an indication that this administration is choosing to focus more on the homeland security aspects of the new department and less on the non-homeland security responsibilities. What is your view regarding the Emergency Management Performance Grants?

Answer. The Emergency Management Performance Grants are being consolidated with other grants within Department of Homeland Security to provide "one-stop" shopping for first responders. While the emergency management offices within the States have relied heavily on the EMPG grants for years for all hazards capabilities,

the fiscal year 2004 Budget emphasizes that these funds should be focused on enhancing current capabilities, not supplanting State personnel costs.

QUESTION SUBMITTED BY SENATOR TED STEVENS

USE OF ORGANIZED LABOR

Question. Are efforts being taken by the Department of Homeland Security to include organized labor in the planning of emergency preparedness and response efforts?

Answer. The Emergency Response Directorate of the Department of Homeland Security is always looking for opportunities to improve planning for emergency preparedness and response efforts. EP&R has worked closely with various organizations in our emergency preparedness and response activities and plans to continue these relationships as part of the Department of Homeland Security.

QUESTIONS SUBMITTED BY SENATOR ROBERT C. BYRD

DISASTER RELIEF FUND

Question. Please provide the most recent accounting of balances in the disaster relief fund.

Answer. As of May 23, the unobligated balance in the Disaster Relief Fund for non-terrorist related events was \$445 million. Unallocated funds totaled \$281 million. Both of these amounts reflect the fact that the President released \$250 million in emergency contingency funds on May 22, 2003.

Question. According to the Emergency Preparedness and Response budget justifications, there was \$3.9 billion in outlays from the disaster relief account in 2002, which is, on average, \$325 million per month. Should OMB make the remaining balance in the contingent emergency fund available this year, how much more will the Department need to get through fiscal year 2003, assuming an average weather year?

Answer. Supplemental funds for the Disaster Relief Fund will be required. The Administration is reviewing estimates of requirements and will notify Congress formally once the requirements are known.

SEPTEMBER 11 RESPONSE

Question. Congress appropriated \$8.798 billion to FEMA for response to the September 11, 2001 attacks on New York City. Have all of these funds been obligated? Please provide an accounting of expenditures.

Answer. No, \$6.4 billion has been obligated as of May 21. Another \$1 billion for Debris Removal Insurance is pending enabling legislation by the New York State legislature to allow the City of New York to create a captive insurance company or other appropriate insurance mechanism to allow for claims arising from debris removal. In addition, \$90 million for Ground Zero Health Responders Health Monitoring is pending completion of an Interagency Agreement with the Centers for Disease Control and Prevention. The remaining \$1.3 billion is reserved for ongoing Human Services, Hazard Mitigation, and Public Assistance Programs. In accordance with the Consolidated Appropriations Resolution, 2003, remaining funds may be used for non-Stafford Act costs by New York City and New York State "associated with" the 9/11 attacks. At this time, it appears that between \$750 million and \$1 billion of the \$1.3 billion not yet obligated or earmarked will be available for this purpose.

Question. There is currently \$1,024,785 left in EP&R's September 11 response account. How will these funds be spent? Are these the funds that can be used for non-Stafford Act funding? If not, describe the estimates and plans for use of non-Stafford Act funds.

Answer. Currently, EP&R estimates that there will be between \$750 million and \$1 billion available for non-Stafford Act projects "associated with" the 9/11 event. The final amount will not be known until EP&R, New York State, and New York City complete the expedited close-out process by the end of June 2003. Both New York City and New York State have submitted lists of non-Stafford Act projects for funding consideration, and EP&R is drafting Project Worksheets for all of the projects requested, with the understanding that actual grant awards will only be made up to the amount of funding available.

Question. Within the \$8.798 billion appropriated to FEMA, \$2.75 was for repair to transportation systems. How many funds total are available for transportation

system repair in New York, i.e. Department of Transportation, Metropolitan Transit Association, PATH? Of the EP&R amount, how much has been expended? Please detail past expenditures and any known plans for remaining funds. What is the current estimate for projects that New York is pursuing for transportation infrastructure damaged on September 11?

Answer. The primary funding amounts available for transportation system restoration in Lower Manhattan include: EP&R (\$2.75 billion), Federal Transit Administration (FTA) (\$1.8 billion), Metropolitan Transportation Authority (MTA) (up to \$1.5 billion—insurance), Port Authority (up to \$1.5 billion—insurance). In addition, there are indications that the Lower Manhattan Development Corporation may commit a portion of the remaining \pm \$1 billion of the Department of Housing and Development's (HUD) Community Development Block Grant (CDBG) funds for transportation system improvements. None of the EP&R funds has been expended to date. EP&R has transferred its \$2.75 billion to FTA through an Interagency Agreement, and FTA is currently working with the MTA and Port Authority to develop grant agreements for the initial projects. There is no single definitive estimate for New York transportation improvements for damaged infrastructure related to 9/11. The core projects, i.e., PATH station, new MTA terminal, Pedestrian Concourse, Highway 9A, South Ferry Station, and Port Authority Bus Terminal, are estimated to cost nearly \$5 billion. Additional projects being contemplated to provide a direct rail connection between Lower Manhattan and the Long Island Railroad, JFK International Airport, and Newark Liberty International Airport may cost several billion dollars more depending upon the final alternative's selected.

Question. Of the \$8.798 billion appropriated for post September 11 FEMA activities in New York, \$100 million was made available for the individual assistance program for new air filtration systems. Please provide the committee with a status report in light of reports that the program was being used fraudulently by some individuals. What steps has EP&R taken to ensure that the program is being used properly? How many people have dropped out of the program? How many funds have been returned? How will EP&R administer remaining funds?

Answer. To date, nearly \$100 million of Federal funding has been obligated to fund the New York State-administered Individual and Family Grant program with grants going to more than 110,000 families. Although program implementation is the responsibility of New York State, EP&R has instituted an aggressive media outreach and home inspection program to reduce fraud. As a result, approximately 101,000 applicants (45 percent) have withdrawn from the program. The amount of funds returned to date is approximately \$1.5 million; however, this figure includes returns due to incorrect addresses and postal errors, which cannot be easily separated out from funds returned by applicants. In addition, this amount represents only voluntary returns to date. New York State and EP&R are just beginning a comprehensive recoupment process to recapture funds not expended in accordance with programmatic guidelines. The \$100 million is a program estimate, and it appears that all of the funds will be expended by the time that New York State completes grant processing; however, if there are funds remaining at the end of the program, the balance will be reallocated to be used for other eligible purposes.

BIODEFENSE COUNTERMEASURES

Question. The Department requests \$890 million for permanent indefinite authority for biodefense countermeasures. EP&R budget justifications indicate that the government will be able to "pre-purchase critically needed vaccines or medication for biodefense as soon as experts agree the vaccines and medications are safe and effective enough to place in the SNS." Who are these "experts"? And what is the process by which drugs will be tested for safety and effectiveness prior to being placed in the SNS? How will EP&R coordinate its activities with the Center for Disease Control?

Answer. The experts referenced in the budget justification include researchers, scientists and doctors at the National Institutes of Health (NIH), who would have the flexibility to seek outside expertise, make special purchases, and face other management challenges that can be barriers to quick progress in converting basic scientific discoveries into usable products.

Furthermore, the Department's Strategic National Stockpile Program, operated in coordination with the Centers for Disease Control and Prevention (CDC), utilizes clinically accepted treatment protocols for specific threats and works closely with public and private subject matter experts in medicine, emergency response, public health, and other disciplines to define the most efficacious and cost effective items for protecting the American public.

Subject matter experts within the Departments of Health and Human Services (HHS), Homeland Security (DHS), and Defense (DOD), as well as in other Federal agencies, are routinely requested to provide expertise in formulary development and modifications to a variety of threat agents. The SNS Program also utilizes scientific and medical subject matter experts from the non-Federal civilian sector to assist with the review of the SNS formulary.

HHS is responsible for determining the content and quantity of items that go into the SNS. DHS is responsible for working with HHS to provide the intelligence assessments of the risks of specific threats that the content of the SNS must address. DHS is also responsible for funding the SNS and making final decisions over the products that the SNS releases.

Use of a drug prior to licensure—a so-called Investigational New Drug—has many safeguards built into it, including informed consent and extensive follow-up monitoring. These are important provisions, but in a crisis, they could prevent the drug from being made available in a timely fashion to all the citizens who need it.

The emergency use authority is very narrowly focused and targeted: only drugs under the direct control of the U.S. government could be used, and only after certain certifications had been made. All use would be voluntary. This emergency authority provides:

- The Director of the National Institute of Allergy and Infectious Diseases with the increased authority and flexibility to award contracts and grants for research and development of medical countermeasures. Funding awards would remain subject to rigorous scientific peer review, but expedited peer review procedures could be used when appropriate.
- A finding by the Secretary of Health and Human Services, based on expert analysis by the Food and Drug Administration (FDA), that the treatment in question was expected to have benefits in the emergency situation that outweighed its expected risks.
- Greater flexibility in the FDA review process to meet the circumstances of specific terrorist threats. Unlike typical medical product approvals, the authority may be limited to particular types of medical providers, patients and conditions of use.
- A limited time period. It would remain in effect no more than 1 year, unless the specific terrorist threat justifies extension of the authorization, and the available evidence indicates that the countermeasure is providing important expected benefits.

CERRO GRANDE

Question. Please provide obligations and expenditures to date for Cerro Grande fires. How many claims have been received to date? How much has been requested in those claims? What are your best cost estimates of future need?

Answer. To date, EP&R has approved \$437,150,000 in response to claims from the Cerro Grande fires and has expended \$437,000,000. 21,512 claims for assistance have been received, 4,561 of which are subrogation claims that have been filed by insurance companies and those represent approximately \$105,000,000. From the funds previously made available by Congress, EP&R also paid eligible mitigation claims to deter and prevent any future fire damage to property in the Los Alamos area. According to FEMA's fiscal year 2002 financial statements, audited by the Office of the Inspector General, the unfunded claim liability for Cerro Grande totaled approximately \$127,000,000. Subsequent to the end of fiscal year 2002, the fiscal year 2003 Consolidated Appropriations Resolution provided an additional \$89,415,000, leaving a shortfall of approximately \$36,000,000.

EMERGENCY FOOD AND SHELTER

Question. How many staff administer the Emergency Food and Shelter program? From when an appropriation bill is signed into law, how long, on average, has it taken FEMA to get Emergency Food and Shelter program funds to the National Board?

Answer. The appropriation for the Emergency Food and Shelter Program does not provide for FTE. Staff administers the program as collateral duties. The law requires that once appropriated funds have been received by EP&R, they must be distributed to the National Board within 30 days. On average, EP&R has provided the funds to the National Board within 20 days of receipt of funding. HUD can meet the same programmatic requirements, so the transfer of EFS to HUD will not disrupt those operations.

U.S FIRE SERVICE

Question. What steps is the Department taking to respond to findings in the National Fire Protection Association and FEMA's report "A Needs Assessment of the U.S. Fire Service?"

Answer. The findings of the December 2002 report, A Needs Assessment of the U.S. Fire Service, are used to help guide United States Fire Administration (USFA) program planning and funding decision-making. However, these findings are regarded as advisory, and not as formal Administration policy.

The following recent USFA initiatives specifically address issues identified in the assessment:

- The Assistance to Firefighters Grant Program has distributed funds targeted to firefighter operations, safety initiatives, new vehicle purchases, EMS training and equipment, and fire prevention programs.
- A Memorandum of Understanding has been signed to create Incident Management Teams in large metropolitan areas for large-scale emergencies and to ensure that highly qualified personnel are available for response throughout the Nation.
- Training at the National Emergency Training Center for fire and emergency management personnel has been expanded to address new developments and challenges in planning, response, and recovery from emergencies of all types and scope.

PRE-DISASTER MITIGATION

Question. In fiscal year 2003 Congress appropriated \$149,025,000 to the Nation Pre-Disaster Mitigation Fund. Congress directed that each of the 50 States received grants of \$250,000 for planning pre-disaster mitigation projects. The fiscal year 2004 budget proposed that these grants be made competitively. Why does the Administration request this change?

Answer. For fiscal year 2004, the President's budget proposed a level of funding similar to that provided in fiscal year 2003, with a total of \$300 million proposed for the Flood Mitigation Assistance (FMA) and Pre-Disaster Mitigation (PDM) program combined.

Awarding grants on a competitive basis will ensure that the most worthwhile, cost-beneficial projects receive funding, such as, but not limited to, those containing properties insured under the National Flood Insurance Program that have suffered repeated losses and for which multiple claims have been paid. With the significant source of pre-disaster mitigation funding now available, we have an opportunity to implement a sustained pre-disaster mitigation program to reduce overall risks to the population and structures, while reducing reliance on funding from actual disaster declarations. Furthermore, the analysis required for a competitive process will raise awareness of risks and reduce the Nation's disaster losses through risk assessment and mitigation planning, and the implementation of planned, pre-identified, cost-effective mitigation measures that are designed to reduce injuries, loss of life, and damage and destruction of property from all hazards, including damage to critical services and facilities.

The fiscal year 2004 budget reflects a total shift to pre-disaster preparation and mitigation, with funds that are dedicated to pre-disaster mitigation, operating independently of the Disaster Relief programs, assuring that funding remains stable from year to year and, therefore, not subject to reliance on funding from actual disaster declarations.

 QUESTIONS SUBMITTED BY SENATOR PATRICK J. LEAHY

OFFICE FOR DOMESTIC PREPAREDNESS

Question. How was it decided that the Office of Domestic Preparedness (ODP) would be placed in the Borders and Transportation Directorate and not in Emergency Preparedness and Response Directorate? Does this move create a split between preparedness for terrorism events and other types of disasters and emergencies?

Answer. The President's plan for the creation of the Department of Homeland Security placed the Office for Domestic Preparedness (ODP) with the Emergency Preparedness and Response Directorate. However, prior to passing the Department of Homeland Security Act, Congress changed the location of ODP to the Borders and Transportation Security Directorate.

Question. How will the transfer of FEMA's Office of National Preparedness to ODP affect FEMA's preparedness mission and programs?

Answer. The staff and terrorism-related functions of the Office of National Preparedness (ONP) have been consolidated into the Office for Domestic Preparedness, consistent with the intent of the Homeland Security Act. Consistent with a reorganization proposed by the Under Secretary, those "all-hazards" activities formerly associated with ONP will be transferred to a newly created Preparedness Division within EP&R.

2004 FUNDING LEVEL

Question. FEMA funding for fiscal year 2004 appears on the surface to be greatly increased in this budget, but a closer look shows that most of that funding goes to Bioshield and a few specific programs. Given that fact, how will FEMA cope with its new responsibilities when it will only be receiving level funding for traditional programs?

Answer. Funding was transferred to EP&R for its new responsibilities. In addition, some of FEMA's functions and resources related to first responders were transferred to other organizations with the Department of Homeland Security.

ASSISTANCE TO FIREFIGHTERS

Question. In the fiscal year 2004 budget request the President proposes that the Assistance to Firefighters grant program be transferred to ODP and away from the U.S. Fire Administration, which has managed it to date. What was the policy reason behind this proposal?

Answer. Financial assistance for State and local first responder terrorism preparedness is being consolidated through the Office for Domestic Preparedness. For years, States and localities have asked for a one-stop shop for grants. The proposal to shift grants for first responders, including those for firefighters, to ODP will accomplish this goal. This shift will also allow these grants to be more focused on terrorism preparedness and better integrated with other State and local funding priorities. However, key aspects of the current program, peer review of competitive funding proposals and direct grants to fire departments, will be retained. The move to ODP will enhance program coordination with DHS' first responder programs, which is the key goal of the move.

SUBCOMMITTEE RECESS

Senator COCHRAN. Well, Mr. Brown, thank you very much. You have been an excellent and cooperative witness. We appreciate it very much. We wish you well as you carry out your duties as Under Secretary of this directorate.

Our next hearing is going to be on Thursday at 2 o'clock in room 192 of the Dirksen Senate Office Building. Our witness at that time will be the Department of Homeland Security's Under Secretary for Science and Technology, Dr. Charles McQueary.

Until then, the subcommittee stands in recess.

[Whereupon, at 3:29 p.m., Tuesday, April 8, the subcommittee was recessed, to reconvene at 2 p.m. Thursday, April 10.]