



LEGISLATIVE UPDATE
2012 MID-YEAR EM POLICY & LEADERSHIP FORUM
ALEXANDRIA, VIRGINIA

SUMMARY

Since the 2011 Annual Forum in Austin, in the absence of significant emergency management legislation, NEMA has remained extremely active in some key areas. The largest project undertaken in the past eight months was the effort to offer reform options for the state and local grants to Congress and the Federal Emergency Management Agency (FEMA).

The final *Proposal for a Comprehensive Preparedness Grants Structure* was finalized shortly after the Austin Forum. Preparations for a full roll-out of the proposal immediately swung toward stakeholder outreach. The official roll-out occurred January 3, 2012. The proposal was well received by FEMA and the Appropriations Committees while the authorizing committees and some stakeholders required additional outreach. NEMA was proud to see the President's fiscal year 2013 budget, released February 13, 2012, mirror most of the major priorities NEMA set forth in the proposal. Engagement continues as the budget season heats-up.

Another significant victory for NEMA since the Forum was the passage of critical D-Block legislation. NEMA worked tirelessly as one of nine members of the Public Safety Alliance to gain most of our priorities in the bill. In the end, the D-Block was allocated to public safety, \$7 billion was approved for the build-out, no narrowband giveback is required; and governance was established.

As the fiscal year 2013 budget process moves forward in a contentious election year, NEMA will continue to remain at the forefront of the spending debate for state and local grants while also working toward expanded North American mutual aid and funding for emergency management and homeland security training and education.

Once again, NEMA was able to make significant progress on each of the 2011 Legislative Priorities. In addition to regular legislative activities in Washington, NEMA has provided testimony at two hearings:

- On February 16, 2012, Doug Hoell of North Carolina provided testimony on how emergency managers interact with the Small Business Administration (SBA) after a disaster. This hearing was before the House Small Business Subcommittee on Economic Growth, Tax, and Capital Access.
- NEMA took advantage of a rare honor when asked to testify before the House Appropriations Subcommittee on Homeland Security. NEMA President Jim Mullen provided testimony on March 7, 2012, in regard to NEMA's state and local grants proposal.

In all, the past six months have been unusual in process and heavy on politics, but NEMA continues to assert leadership across the spectrum of emergency management and homeland security issues. As this New Year gets started, surely we can expect another round of furious activity, especially as the 2012 elections take center stage.

As we continue to advocate our 2012 legislative priorities and begin consideration for 2013, the commitment by NEMA membership to consistently engage Members of Congress is critical to advancing our priorities. Please watch for our expanded legislative update at the [Government Relations](#) page of the NEMA website where there will be links to bill summaries, reports on the latest Congressional action, and much more!

CAPITOL HILL HIGHLIGHTS

NEMA capitalized on the momentum from the 2011 Mid-Year Conference in Washington to communicate our priorities and provide counsel on the multitude of discussions surrounding the budget this spring.

While the budget discussions on both the House and Senate sides seemed to stall for a bit, the active nature of disasters around the country put emergency management issues front and center at numerous hearings throughout the spring and summer. The perfect storm brewed on Capitol Hill and while summer is normally a slower time around the city, record numbers of disasters, intense debt discussions, and an increase in highly political debates put NEMA on heightened alert and provided us with an opportunity to engage Hill staff on critical issues affecting the States.

NEMA PRESIDENT TESTIFIES BEFORE HOUSE APPROPRIATIONS COMMITTEE

On Wednesday, March 7, NEMA President Jim Mullen appeared before the House Appropriations Subcommittee on Homeland Security to present [testimony](#) on the FEMA State and local grant structure in the President's proposed FY2013 DHS Budget. While Congressional budget hearings traditionally only feature Secretaries and Agency heads, the subcommittee decided to invite testimony from selected stakeholders to compliment the appearance of FEMA Director Craig Fugate. Jim Mullen was joined by four other representatives of homeland security stakeholder organizations.

After delivering an oral statement that briefly touched on the major highlights of the FEMA budget, Fugate responded to questions for about an hour from various members. In past years, the FEMA budget hearings entertained a variety of questions from specific grant totals to outstanding disaster issues but with the proposed restructuring of grants in FY13, questions from members focused solely on the impetus for, process of, and consequences of the proposed National Preparedness Grant Program (NPGP). Many members expressed concern for programs they felt deserved to remain separate from the block grant and indicated that the NPGP could dilute the focus on the priorities of the past. Others felt the NPGP was done without adequate consultation with members of the appropriate stakeholder groups. Fugate responded to each with his trademark blend of professional expertise and personal candor but made it clear to members that the decisions reflected in the budget were not easy. In response to continued questions from members regarding the merits of grant programs either cut or consolidated (such as PDM, UASI, and Port/Transit), Fugate delivered an impassioned explanation for the unique approach to the grants in FY13. He said, "...and again, everybody wants to protect their part of the budget; my responsibility was to provide recommendations on what we could do with our budget to achieve the goals we had."

The hearing also gave NEMA the opportunity to promote our grant reform document (released in January) that, while differing slightly, extolled many of the same principles of the NPGP. Whereas the other witnesses defended increased spending in their niche grants along with calls for reduced cost-share requirements, Jim Mullen described a system more focused on strategic investments in measurable priorities. His testimony was well-received and acknowledged the fiscal realities on Capitol Hill and highlighted how NEMA's proposal would promote accountability for the limited resources available while also allowing for increased flexibility for States and locals to make investments informed by real threats and hazards they face. Where other witnesses promoted continued stovepipes and decreased cooperation between States and locals, NEMA was able to convey the importance of a holistic approach to emergency management and homeland security. Subcommittee members responded with questions on NEMA's position on FEMA's budget along with the importance and virtues of EMPG and our annual return on investment report. Mullen was also able to express agreement with Fugate's statement that Port and Transit agencies need to be brought into the planning process as critical investment decisions are being made.

FY2012 BUDGET RESOLVED WITH LAST MINUTE OMNIBUS

Congress worked down to the wire to pass an Omnibus for FY2012 following months of debate and continuing resolutions. The budget impasse defined the fall in Washington and allowed plenty of time for speculation as to how dramatic the cuts would be to homeland security functions. Once the appropriations bill was signed, it was obvious the cuts to DHS were drastic, with FEMA and first-responder grant funding absorbing a particularly big blow. The department received \$41.3 billion for FY2012, including \$39.6 billion in discretionary funding. FEMA will get \$4.3 billion in fiscal 2012, or \$2.9 billion less than FY11. That does not include \$6.4 billion in emergency disaster relief contained in a separate funding measure (HR 3672). FEMA's grant programs for state and local police, firefighters, and other emergency responders — the most frequent target of appropriators looking to pare the department's budget in recent years — drop again, to \$1.3 billion, or \$838 million less than in fiscal 2011. This is a direct result of money left unspent from previous years. EMPG was one of the lucky few who saw a \$10 million *increase* over FY2011 spending levels.



FY2013 BUDGET PROPOSAL FROM WHITE HOUSE MET WITH MIXED REVIEWS

On March 13, the White House released its FY2013 Budget Proposal. After hinting at major changes and reorganization of State and local homeland security grants, the Administration followed through with a DHS budget that proposed consolidation of many existing grant programs into the newly created National Preparedness Grant Program. NPGP will focus on the

development and sustainment of National Incident Management System (NIMS) typed capabilities that can be utilized nationally and regionally. The NPGP will optimize the development and sustainment of core capabilities as outlined in the National Preparedness Goal. Particular emphasis will be placed on capabilities that pose the greatest risk to the security and resilience of the United States and can be utilized to address multiple threats and hazards. Grantees will map their proposed investments to one or more specific core capabilities and will incorporate effectiveness measures that facilitate accountability. The Administration believes this linkage will enable all levels of government to collectively demonstrate how the proposed investment will build and sustain core capabilities necessary to strengthen the Nation's preparedness.

As is customary following the release of the President's Budget, Agency Secretaries ventured up to Capitol Hill to answer questions and field concerns from Members of Congress. Secretary Napolitano met with members of the House Appropriations and Homeland Security Committees. FEMA Administrator Craig Fugate also testified before House and Senate Committees but information was not available at the time of printing. While fielding questions from lawmakers, there was obvious concern for the major reorganization of state and local grants. Many representatives expressed concern over the mantra of "doing more with less" and felt the consolidation would leave the nation vulnerable to attacks.

During questions from the House Homeland Security Committee, Chairman Peter King (R-NY) said he worried that under the proposal's language, the consolidated grants would be available only to states, with communities and other local groups cut out. He specifically asked the Secretary to find a way to work "with all those entities" going forward. Napolitano said the Obama administration has no plans as of yet to change the vision outlined in the budget documents, but she is open to working with Congress on the issue. Ranking Democrat Bennie Thompson (D-MS) noted that the committee received a letter prior to the hearing from advocacy groups including the International Association of Emergency Managers, the National Association of Counties and the International Fire Chiefs Association expressing concern that stakeholders did not have enough input in the department's future plans for grants. "There's some concern that these stakeholders have not been included," Thompson said. Napolitano replied that DHS wants to work with all stakeholders noting that they had received some positive feedback as well.

D-BLOCK RESOLUTION: ANOTHER NEMA LEGISLATIVE PRIORITY REALIZED!

After years of advocacy by countless DC associations and state and local officials, the bipartisan House and Senate Conferees to the Payroll Tax Reduction Extension legislation came to agreement on D-Block legislation in late February. Both chambers approved the legislation in late February and the President signed the bill into law shortly after. The bill provides for a much needed nationwide interoperable Public Safety Broadband Network (PSBN). This bill includes the allocation of D-Block spectrum and an estimated \$7 billion in funding from the proceeds of incentive auctions for its successful implementation. Creation of a nationwide 20 MHz PSBN is one of the last remaining recommendations of the 9/11 Commission made in the wake of the tragic events of September 11, 2001.

There are several other positive aspects to this legislation:

- It will modernize the emergency communications capabilities across the Nation.
- By leveraging commercial technologies, public safety will be able to be effective stewards of a scarce spectrum.
- Law enforcement, fire, emergency medical, emergency management, and other public safety personnel finally obtain the communications tools they need to better protect citizens and respond to emergencies each and every day.
- The long sought-after funding for Next Generation (NG) 9-1-1 implementation is part of the bill, and the designation of critical funding for future research and development which is necessary to support expedited development of mission-critical voice capabilities over broadband.

Taken together with the Federal Communications Commission's (FCC) National Broadband Plan, this legislation provides public safety with a clear blueprint for realizing comprehensive interoperability of the nationwide emergency communications, and secures the path forward for public safety communications for decades.



NFIP REAUTHORIZATION REMAINS COMPLICATED

Over the past few years, there have been many changes in the prominent policy issues on Capitol Hill, but one permanent fixture has been the challenges around the National Flood Insurance Program and the calls for reform. The NFIP expires at the end of May this year, and since 2008, the program has been extended only for short periods of time. The House-passed bill would restructure the NFIP by phasing in actuarially sound flood insurance premiums, which supporters hope would help erase the nearly \$18 billion in debt that the program has racked up over the past several decades. In the final version passed by the House (which was part of the payroll tax extension bill), this change was expected to raise \$4.9 billion over 10 years, allowing the program to start paying down this debt. The Senate has not acted on NFIP reauthorization. A bipartisan group of 41 senators wrote to Senate leadership in February urging swift consideration of legislation that would provide long-term reauthorization of the National Flood Insurance Program. FEMA has made it clear they are continuing to examine all options for reform of the program, but until reform is clear, Congress will continue to address the need for reauthorization of this vital program.

PENDING LEGISLATION FOR THE 112TH CONGRESS

Throughout the year, thousands of bills are introduced in both the House and Senate but with busy legislative calendars, and only so many hours in a day, only a handful ever becomes a law. Just like the classic School House Rock video says, many get stuck in the arduous committee process or they just do not have a champion to get them to the floor. Many homeland security and emergency management issues were addressed with legislation in 2011, but have not made it to the President's desk. The bills below represent the key pieces of legislation NEMA will be watching as the year progresses.

Department of Homeland Security Authorization Act of 2011: Both the House and Senate have introduced DHS Authorization bills this year to reauthorize the Department of Homeland Security for the first time since its creation in 2003. The Senate bill ([S. 1546](#)) was introduced in September by Senator Joseph Lieberman (I-CT) and Senator Susan Collins (R-ME) and won approval from the Homeland Security and Governmental Affairs Committee. The House bill ([HR 3116](#)) was introduced in October by Representative Peter King (R-NY) and approved by the Homeland Security Committee after a lengthy discussion on amendments. Representative Jeff Denham (R-CA) also introduced a FEMA-only reauthorization bill ([HR 2903](#)) in September. NEMA has not formally weighed in but continues to monitor the legislation.

Disaster Recovery Act of 2011: Senator Mary Landrieu (D-LA), no stranger to emergency management issues, introduced the Disaster Recovery Act ([S. 1630](#)) in September and it is currently awaiting markup. The comprehensive bill would amend the Stafford Act to address catastrophic disaster issues while also targeting issues that affect “garden variety” disasters. NEMA has been working with the Senator’s staff for years and the membership has worked extensively to provide constructive comments. While NEMA has not submitted a formal letter of support, we continue to work at the staff level to assure the bill does not create unintended consequences and will monitor the bill as hearings or markups are scheduled in the next year.

Natural Hazards Risk Reduction Act of 2011: This bill would reauthorize the National Earthquake Hazard Reduction Program (as well as the National Wind Hazard Reduction Program) through FY 2015 and makes NIST the primary agency. The legislation also directs the creation of an interagency Coordinating Committee to work on strategic policy. The House bill ([HR 3479](#)) and the Senate bill ([S 646](#)) differ in a few critical ways, including authorized funding levels. NEMA has signed letters with the NEHRP Coalition supporting the reauthorization of the program and provided testimony before the House this Spring. We will continue to work through the coalition as the bills progress.

Flood Insurance Reform Act of 2011: The National Flood Insurance Program has been the target for reform since Hurricane Katrina piled on insurmountable debt to its already fragile funding structure in 2006. FEMA continues to hold policy reviews but Congress has introduced bills in both Houses to address policy as well as simple reauthorization. Since the expiration of its authorization in 2008, the program has survived on a short term basis, even lapsing for a few days this year. A six month extension was included in the Omnibus that was just passed but lawmakers continue to push [HR 1309](#) (which passed the House) and [S. 1091](#) that would provide a long term authorization in order to allow time for comprehensive reform. NEMA has not formally sent comments.

Upon completion of the Forum, please visit the [NEMA Government Relations](#) page on the NEMA website for more detailed bill descriptions and summaries, committee hearing reports, and status of all important legislation. The NEMA-DC staff will answer any questions or comments you might have regarding your Congressional needs.

**This Legislative Update was prepared by Legislative Committee
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