



Testimony

Before the Subcommittee on Investigations and Oversight,
Committee on Public Works and Transportation, House of
Representatives

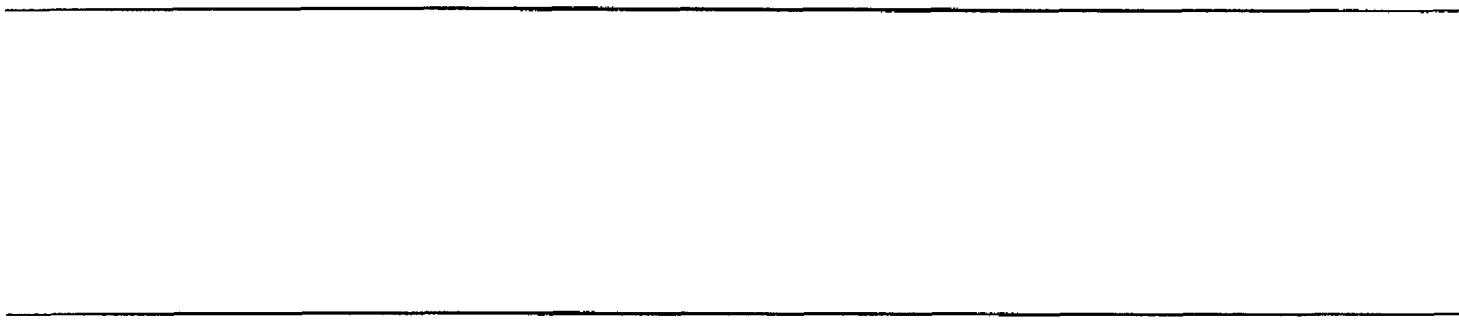
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DISASTER MANAGEMENT

Recent Disasters Demonstrate the Need to Improve the Nation's Response Strategy

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Mr. Chairman and Members of the Subcommittee:

We appreciate the opportunity to be here today to discuss our work on how the nation responds to disasters.

Several recent catastrophes--especially Hurricane Andrew in South Florida--have led to growing dissatisfaction with the nation's system for responding to large disasters. As a result, you and a number of other congressional leaders have asked us to examine the adequacy of the federal strategy for responding to disasters and to develop solutions for improving it. Our testimony today discusses the results of our work to date.

In summary, we found that the federal government's strategy for comprehensively and effectively dealing with catastrophic disasters is deficient. The strategy lacks provisions for the federal government to comprehensively assess damage and the corresponding needs of disaster victims and to provide them with quick, responsive assistance. The federal government also does not have explicit authority to adequately prepare for a disaster when there is warning. Finally, state and local governments, for the most part, do not have adequate training and funding to enable them to respond to catastrophic disasters on their own.

In the case of Hurricane Andrew, the combination of these factors resulted in such shortcomings as inadequate damage assessments, inaccurate estimates of needed services, and miscommunication and confusion at all levels of government--all of which slowed the delivery of services vital to disaster victims. Hurricane Andrew also demonstrated that for large, catastrophic disasters, the military has the capability to respond to the immediate needs of disaster victims in a highly effective manner.

The nation may well face disasters or emergencies that could affect even more people than Hurricane Andrew. We could experience stronger hurricanes and earthquakes, radiological or hazardous material releases, terrorist or nuclear attacks, or civil disturbances such as the 1992 Los Angeles riots. Accordingly, as we recommended in our recent testimony before the Senate Appropriations Committee, there are a number of things the Federal Emergency Management Agency (FEMA) should do to improve the way the federal government (1) decides whether state and local governments need assistance, (2) uses existing authority to effectively provide assistance, and (3) enhances state and local preparedness in order to minimize the amount of federal assistance needed. We also are suggesting that the Congress needs to consider giving federal agencies explicit authority to prepare for and respond to catastrophic disasters.

Because leadership is so important to an effective response to a catastrophic disaster, we also discuss options for improving federal leadership.

BACKGROUND, SCOPE, AND METHODOLOGY

FEMA was established in 1979 during the Carter administration to consolidate federal emergency preparedness, mitigation, and response activities. FEMA has a number of responsibilities, including the coordination of civil defense and civil emergency planning and the coordination of federal disaster relief. The disasters and emergencies to which FEMA may respond include floods, hurricanes, earthquakes, hazardous material accidents, nuclear accidents, and biological, chemical, and nuclear attacks.

The fundamental principles that guided FEMA's creation included implementing the disaster priorities of the president; drawing, to the extent possible, on the resources and missions of existing federal, state, and local agencies; and emphasizing hazard mitigation and state and local preparedness--thereby minimizing the need for federal intervention. Consequently, FEMA's primary strategy for coping with disasters has been to (1) enhance the capability of state and local governments to respond to disasters, (2) coordinate with 26 other federal agencies that provide resources to respond to disasters, (3) give federal assistance directly to citizens recovering from disasters, (4) grant financial assistance to state and local governments, and (5) provide leadership--through grants, flood plain management, and other activities--for hazard mitigation. FEMA conducts its disaster response and civil defense activities primarily under the authorities of the Robert T. Stafford Disaster Relief and Emergency Assistance Act and the Federal Civil Defense Act of 1950, as amended.

The Federal Response Plan is FEMA's blueprint for responding to all disasters and emergencies. The Plan is a cooperative agreement signed by 26 federal agencies and the American Red Cross for providing services in the event that there is a need for federal response assistance following any type of disaster or emergency. The present version of the Plan--developed following dissatisfaction with the response to Hurricane Hugo in 1989--was completed in April 1992. Hurricane Andrew was the first time the Plan was fully used.

The Plan outlines a functional approach to federal response and groups the types of federal assistance that may be needed under 12 categories, such as food, health and medical services, transportation, and communications. For each function, one agency is charged with being the primary provider of the service, with several other agencies responsible for supporting the primary agency. For the mass care functions (such as food and shelter), the primary agency is the American Red Cross.

In order for FEMA to activate the Federal Response Plan and for a state to receive life-sustaining and other services from the federal government, the governor must obtain a presidential

declaration that a major disaster exists under the Stafford Act. The governor's request must be based on a finding that the scope of the disaster is beyond the state's ability to respond. After the president declares a disaster, FEMA supplements the efforts and resources of state and local governments and voluntary relief agencies, which are expected to be the first responders when a disaster strikes. Over the past 10 years, presidents have declared an average of about 35 disasters annually. FEMA officials stated that catastrophic disasters requiring life-sustaining services from the federal government occur, at most, one to two times a year in the United States.

We reviewed the organizational structure and disaster response activities of FEMA. We also evaluated the federal, state, local, and volunteer response to recent catastrophic disasters, focusing on Hurricane Andrew in South Florida, and consulted with a panel of experts who represented a cross section of views on disaster response. These experts included a number of former federal agency heads and other high-level officials from the Department of Defense (DOD), FEMA, and FEMA's predecessor agencies; an emergency medical program director; state emergency management directors; and members of academia specializing in intergovernmental relations during disaster response.

As you requested, we focused our review on the immediate response to catastrophic disasters. Therefore, we address neither long-term recovery activities for catastrophic disasters nor any aspect of the response to less severe disasters. We define catastrophic as any disaster that overwhelms the ability of state, local, and volunteer agencies to adequately provide victims with such life-sustaining mass care services as food, shelter, and medical assistance within the first 12 to 24 hours.

HURRICANE ANDREW REVEALS INADEQUACIES IN FEDERAL RESPONSE TO CATASTROPHIC DISASTERS

Hurricane Andrew in South Florida showed that FEMA's response strategy, implemented through the Federal Response Plan, is not adequate for dealing with catastrophic disasters. The Plan is based upon the premise that an increasing number of the 12 functional response areas will be activated, depending on the gravity of the disaster. Although all of the Plan's 12 functional areas were activated for Hurricane Andrew, the response was neither immediate or adequate. The key reasons for the Plan's failure include the absence of provisions for rapid assessment of the disaster's magnitude and the lack of a specific functional responsibility to respond to the extraordinary requirements of a catastrophic disaster.

The federal response to Hurricane Hugo in 1989 highlighted the fact that the federal government may be the only entity capable of quickly providing the large amounts of life-sustaining

services needed immediately after a catastrophic disaster. For example, FEMA's own internal evaluation of the lessons learned from Hugo noted that "it is quite clear that in an extraordinary or catastrophic event that overwhelms the state, the federal government may be the principal responder."¹ In addition, the report recommended that a plan be developed to address the need for a federal response to significant natural disasters.

The Federal Response Plan developed by FEMA after Hurricane Hugo, however, does not have a support function that addresses the performance of damage and needs assessments, even though the Plan itself recognizes that the magnitude of damage to structures and lifelines will rapidly overwhelm the capacity of state and local governments to assess the disaster and respond effectively to basic and emergency human needs. Instead, FEMA relies on state and local governments to identify services needed from the federal government once they have determined that they cannot adequately meet their own needs. In practice, their request for federal assistance must specify the type, amount, and location of the needed services. Because of the overwhelming nature of Hurricane Andrew, state and local governments were unable to specify their needs, and services were therefore delayed.

Response to Hurricane Andrew Did Not Meet Needs

State, local, and volunteer agencies fell far short of providing the amount of life-sustaining services needed in the immediate aftermath of Hurricane Andrew. For example, during the first 3 days after Hurricane Andrew, the combined efforts of state, local, and volunteer agencies provided enough meals to feed about 30,000 disaster victims a day, although Hurricane Andrew left about 250,000 people homeless and potentially in need of mass care.²

A number of disaster victims told us that the relief effort was inadequate. They said that they survived by resorting to such actions as looting grocery stores to feed their families, drinking potentially contaminated water from leaking faucets, and staving off looters by living in makeshift dwellings set up in front of their homes.

¹"Response to Hurricane Hugo and the Loma Prieta Earthquake: Evaluation and Lessons Learned," FEMA, May 1991. Unpublished.

²Accurate statistics do not exist on the exact number of people who stayed in the immediate disaster area. American Red Cross statistics show, however, that about 84,000 residents were temporarily sheltered in the disaster area in that organization's centers alone.

In addition, local officials, who in many cases were victims of the storm, knew that they were unable to meet their citizens' needs for life-sustaining services. However, they were having trouble communicating with one another and with the state, and were unable to request specific assistance.

FEMA regional officials told us that they knew by the second day after the disaster that the American Red Cross was unable to fulfill its mass care response role. These officials then offered to provide the state with whatever assistance it requested. However, Florida did not immediately request significant amounts of additional mass care because it had the impression that the state/local/volunteer network was doing an adequate job. For example, the state official who managed Florida's emergency operating center told us that the American Red Cross officials informed him that it had established feeding centers in Homestead and Florida City. In fact, Homestead and Florida City--perhaps the two hardest hit areas--did not get such help until the military set up field kitchens there 4 to 5 days after the disaster.

The American Red Cross officials with whom we talked did not agree that they fell short of meeting disaster victims' needs. While they stated that the American Red Cross met its expectations, they also said that their projection of disaster victims' needs may have been low because of a lack of good information on the extent of damage.

By the second day after the disaster, FEMA headquarters officials said that they had realized that a massive amount of relief would be needed from the federal government--and that Florida was not requesting it. Concurrent with the designation of the Secretary of Transportation to oversee relief operations, the President also directed increased federal assistance, particularly from the military, to South Florida. At that point, significant amounts of relief supplies began flowing into the region.

In the long term, the nation is likely to face far greater disasters than Hurricane Andrew. Terrorist and nuclear hazards, biological disasters, and large earthquakes--larger than we have seen in this century--are all potential threats that government officials must take seriously. Another earthquake near Memphis, similar to the ones that occurred in the winter of 1811-12, which exceeded 8 on the Richter scale, could kill thousands of people and disrupt 60 percent of the natural gas supply to the Northeast, causing major hardships and the closure of thousands of businesses.

Therefore, the federal government needs to improve the national response system by (1) improving how it decides its help is needed, (2) improving its response in providing mass care to catastrophic disaster victims and (3) making better use of the

resources available for responding to disasters. I would now like to discuss each of these three areas.

IMPROVING HOW THE FEDERAL GOVERNMENT DECIDES ITS HELP IS NEEDED

Several actions would significantly improve the nation's ability to respond to catastrophic disasters. These actions--which would be especially useful when there is some advance warning--include

- improving FEMA's assessments of damage and response needs;
- developing a disaster unit with the capability to predict the impact of a disaster, assess its damage, evaluate state and local preparedness, estimate the response needs, and, possibly, coordinate response activities; and
- enacting legislation that would facilitate preparatory actions that FEMA and other federal agencies could take in anticipation of a disaster.

Improving Damage and Needs Assessments

Conducting damage and needs assessments as soon as a disaster occurs would enable local, state, and federal agencies to know what type and how much response is needed within 12 to 24 hours. The lack of both a comprehensive damage assessment and the ability to translate that assessment into an overall estimate of the services needed was one of the most glaring deficiencies in the response to Hurricane Andrew. The Federal Response Plan has no provision for FEMA either to oversee or to conduct a comprehensive damage assessment that can be used to estimate the services needed by disaster victims. Instead, it assumes that state and local governments already have conducted such surveys and will then use that information to request specific federal assistance.³

Although FEMA headquarters officials realized that massive amounts of relief would be needed from the federal government--and that Florida was not asking for the aid it needed--FEMA's Director told us that FEMA is limited by the Stafford Act to responding only to state requests for assistance. Therefore, he said, FEMA could not help the state unless it asked for assistance and specified how much it needed.

³Currently, FEMA and officials from affected states conduct a preliminary damage assessment before the state requests a presidential disaster declaration. The information collected is used by the state as a basis for the governor's request and by FEMA for the purpose of determining whether it will recommend to the president that the request be granted.

We believe that FEMA is authorized to take much more aggressive action than it took in Hurricane Andrew. For example, once the president has declared a disaster, FEMA has ample authority to conduct its own damage and needs assessment and then recommend to the state specific amounts of assistance that should be requested.

Establishing a Federal Disaster Unit

Other shortcomings that we observed in the response to Hurricane Andrew could have been eliminated if the federal government had an information-gathering disaster unit to guide the federal, state, and local response.

When responding to disasters like Hurricane Andrew, an expert unit could provide federal, state, and local officials with information to help them decide whether (1) a disaster declaration should be requested and granted, (2) the state and local governments are responding to the disaster adequately, (3) assistance requested by the state is adequate to respond to the disaster, and (4) help from federal agencies is necessary. While the unit's primary focus would be gathering information to help guide the response to a disaster, the unit could also be involved in coordinating response activities.

Federal experts could even conceivably provide governors with a menu of disaster response options, each with cost considerations analyzed, to help expedite the appropriate amount of federal assistance. Resolving cost-sharing issues could eliminate a potential bottleneck in the disaster assistance process.

Cost sharing is designed to ensure that states pay a commensurate "fair share" of the disaster costs. States are normally required to pay 25 percent of the costs of immediate emergency protective measures provided by the federal government, though the president has the authority to increase the federal share up to 100 percent. Cost sharing can have the unintended consequence of making states reluctant to accept needed federal assistance because that assistance comes with an unspecified--and potentially large--price tag. However, we found no evidence of reluctance on the part of the state of Florida. A federal disaster unit could help expedite the cost-sharing agreement between the state and the federal government by providing both the president and the governor with better information to make rapid decisions on the need for federal assistance and the potential cost for that help.

By constantly planning and organizing federal catastrophic disaster responses, a federal disaster unit would develop far better experience and expertise than would state and local officials, who infrequently face catastrophic disasters. In fact, the skilled personnel, intelligence-gathering equipment--

including sophisticated sensors--and other assets needed to build an expert disaster unit already exist in various agencies in the federal government. For example, FEMA already possesses the capability to model the impact and associated life-sustaining needs resulting from varying levels of disasters occurring in different locations. However, this capability was not used for Hurricane Andrew because FEMA's disaster response strategy calls for it to rely on state-identified needs rather than to develop this information itself.

Improving Other Agencies' Preparation

To respond more quickly, federal agencies also need to mobilize resources and deploy personnel in anticipation of a catastrophe. Federal response time could be reduced by encouraging agencies to do as much advance preparation as possible prior to a disaster declaration--and even earlier for disasters, such as hurricanes, where some warning exists. However, current law does not explicitly authorize such activities. Therefore, federal agencies may fail to undertake advance preparations because of uncertainty over whether costs incurred before a disaster declaration will ultimately be reimbursed by FEMA. For example, DOD officials told us that they take some actions to prepare for a disaster when there is warning--such as identifying quantities and locations of, and transportation requirements for, mass care supplies--but they run the risk of having to pay for the expenses themselves if their assistance is not needed.

IMPROVING THE FEDERAL RESPONSE IN PROVIDING MASS CARE TO CATASTROPHIC DISASTER VICTIMS

The key to successfully responding to a catastrophic disaster is rendering sufficient life-sustaining assistance, such as food, water, shelter, and medical care, and dealing with mass psychological trauma within a short period of time. With the current disaster response system's reliance on state and locally identified needs, FEMA cannot ensure a timely or adequate response. Furthermore, FEMA lacks procedures that specifically guide how the federal government will offer mass care when state, local, and volunteer efforts fall short. Only DOD has the resources and transportation to provide mass care quickly and in sufficient quantities for catastrophic disasters.

Currently, the American Red Cross has responsibility for providing and coordinating mass care, with support from DOD, the U.S. Department of Agriculture, and other agencies. In less severe disasters, such a reliance on a relief agency with a large network of volunteers may be sufficient. However, the American Red Cross was quickly overwhelmed following Hurricane Andrew and was unable to fulfill all of its mass care responsibilities. Because of this, in the event of a catastrophic disaster, primary

reliance on the American Red Cross may need to shift and be placed with a federal agency.

Hurricane Andrew demonstrated the effectiveness of the military in bringing to bear a variety of supplies and services and establishing the infrastructure necessary to restore order and meet immediate needs of victims. For example:

- DOD has trained medical and engineering personnel, mobile medical units, storehouses of food and temporary shelters, contingency planning skills, command capability, and other requirements for mass care, as well as the transportation to deploy them. Building up response capability in other organizations--such as FEMA--would be redundant.
- Catastrophic relief activities mirror some of DOD's wartime support missions. Soldiers are trained for similar missions and catastrophic disaster relief provides soldiers with additional training.
- Catastrophic disaster responses, such as those for Hurricane Andrew, are smaller than many military operations and do not significantly affect DOD's military readiness in the short term.

The fact that DOD possesses the capability to respond to mass care needs does not mean that it should be given responsibility for planning, directing, or managing this response function. Military officials told us that DOD is willing to respond to whatever requests it receives from disaster relief authorities. The military officials further stated that the requests should always come from authorities outside DOD so that the public does not perceive that the military is trying to inject itself into domestic policy decisions.

The DOD officials also cautioned that, while responding to a catastrophic disaster will not adversely affect short-term military readiness, the extent to which DOD can respond will depend on other world events at the time of the disaster. For example, if Hurricane Andrew had occurred during Operation Desert Storm, DOD would not have been able to provide as much airlift to transport personnel, equipment, and relief supplies to the disaster area. It also is questionable whether it could have provided the same number of personnel to assist in disaster relief efforts.

Another factor that could affect DOD's response capability is the reduction in DOD's force structure. To some extent, this limitation could be overcome through greater use of the Reserves, which possess many of the skills and services that are needed for effective disaster relief operations. Under current law,

however, the Reserves may be called upon to perform disaster relief operations only in limited circumstances.

MAKING BETTER USE OF RESOURCES AVAILABLE TO RESPOND TO CATASTROPHIC DISASTERS

FEMA can make better use of the resources it currently has available to improve its own catastrophic response capability as well as that of state and local governments. Given changing world circumstances, the time is right to reassess the level of resources FEMA devotes to national security issues--with an eye toward shifting some of those resources into natural disaster response.

The primary mission of FEMA's National Preparedness Directorate entails a rapid deployment capability. As such, numerous National Preparedness resources could be, and to a limited extent have been, used for catastrophic disaster response. FEMA can also enhance state and local catastrophic disaster preparedness by making better use of the civil defense funds that it grants to states. Traditionally, such grants also have had a national security focus. In addition, FEMA needs to improve its training for and oversight of state and local disaster preparedness.

Increasing Use of National Preparedness Resources

FEMA's National Preparedness Directorate has the mission of "maintaining the federal government's capability to deliver effective emergency management during all phases of any national security emergency." The Directorate includes about 900 employees and has an annual appropriation of about \$100 million--significant assets that could be used more effectively to help guide the federal government's response to catastrophic natural disasters, especially in light of the changing nature of national security emergencies. However, just as most of the National Preparedness Directorate's budget is submitted separately, we too will have to provide you with more complete information in an alternative forum.

In general, however, the Directorate has many of the people and resources that could help form the nucleus of the disaster unit I referred to earlier. The Directorate's current rapid response mission places a premium on people with such skills as strategic and tactical planning, logistics, command and control, and communications. Its resources include communications, transportation, life support, and sophisticated computer modeling equipment. Through constant planning and exercising, the Directorate maintains a high level of readiness and is therefore able to instantly deploy people and resources from a number of locations to anywhere in the United States.

Although the Directorate's assets could have been instrumental in such tasks as planning, assessing damage, and establishing communication links between local, state, and federal officials at the disaster site, they were not fully used to respond to Hurricane Andrew and other recent disasters. This occurred, in part, because the Federal Response Plan lacks procedures for using the Directorate's assets to respond to natural disasters.

Improving Use of Civil Defense Funds

Approximately another \$100 million is provided annually under civil defense authorities to develop state and local emergency response capabilities. Civil defense activities, which include the construction of emergency operating centers and training for key personnel, are carried out under the authority of the Civil Defense Act of 1950, as amended. Here, too, the time is right to reassess the continuing need for this activity at this funding level given changing world circumstances. The 1950 act originally had the purpose of developing a civil defense capability in the event of nuclear attack. However, a 1981 amendment to the act permits states to spend these funds according to an all-hazards approach. That is, states may use civil defense funds to prepare for natural disasters to the extent that such use is consistent with, contributes to, and does not detract from attack-related civil defense preparedness.

Many state and local officials have told us that FEMA very closely controls what types of activities qualify for civil defense funding. According to these officials, nuclear defense concerns still predominate. The state and local officials stated that civil defense funding did not correspond to their areas' disaster response priorities. These state and local officials said that they would like additional flexibility to use civil defense funds to meet their perceived priorities.

FEMA officials are aware of the benefits that increased flexibility would provide state and local entities and are considering merging the various programs into broader categories to enable a more diversified use of the funds. Some civil defense programs have been suspended for the current year while awaiting the results of FEMA's study of civil defense requirements, which is nearing completion. This study is intended to identify needs at the state and local level and to establish ideal funding levels for civil defense activities.

Better Training for State and Local Governments

The amount of federal resources needed to respond to a catastrophic disaster are lessened if state and local government response capabilities are increased. We believe that FEMA could do more to ensure that state and local governments prepare for catastrophic disaster response. Our review uncovered

shortcomings both in the way FEMA helps state and local governments train and conduct exercises in anticipation of catastrophic disasters and in the way it monitors state and local preparedness.

FEMA's own evaluation and our report on Hurricane Hugo recognized a number of training deficiencies.⁴ These included the need to provide state and local governments with training specifically geared towards developing such necessary catastrophic disaster response skills as assessing damage and estimating the amount of mass care needs. However, state and local officials have not received such training. For example, Dade County's Emergency Management Director told us that instead of training her in such skills as conducting damage and needs assessments, FEMA typically offered generic management training designed to enhance such skills as keeping program budgets. You will recall that one of the biggest problems with the response to Hurricane Andrew was the inability of state and local officials to determine how bad the disaster was and to specify how much assistance was needed.

FEMA officials told us that its Emergency Management Institute (EMI) is in the process of developing courses to enhance state and local officials' ability to respond to catastrophic disasters. However, because such courses usually require about 2 years to develop, most were not available in time for Hurricane Andrew. Also, EMI officials told us that they further delayed development of many disaster response courses until completion of the Federal Response Plan, which was not finished until April 1992.

Most state officials believe that their state disaster exercises do not adequately prepare them to respond to catastrophic disasters. These officials cite such problems as too few exercises, low federal participation, and failure to act on weaknesses identified. To illustrate, Dade County conducted only one hurricane preparedness exercise in each of the past 2 years. There were 144 participants for the 1991 exercise--and none were from the federal government. No participation records were kept for the 1992 exercise.

In 1991, FEMA staged two major earthquake exercises--one along the "New Madrid" fault (near Memphis, Tennessee) and one near Puget Sound, Washington--to test the draft Federal Response Plan. Those exercises identified problems such as (1) inadequate state requests for assistance, (2) hesitation by federal personnel that could have resulted in numerous delays in procuring essential supporting services, and (3) the American Red Cross's inability to meet the mass care needs of catastrophic disaster victims.

⁴Disaster Assistance: Federal, State, and Local Responses to Natural Disasters Need Improvement (GAO/RCED-91-43, Mar. 6, 1991).

Another FEMA-sponsored exercise for a catastrophic disaster generally pointed out similar response deficiencies, including problems with resources, communications, and training. However, as shown by the events of Hurricane Andrew, these shortcomings have not yet been corrected.

Improving Oversight of State and Local Readiness

Greater preparedness and accountability for state and local governments is needed to ensure that they, as well as participating federal agencies, make maximum efforts to effectively respond to disasters. However, FEMA is neither organized for, nor carries out, the type of oversight needed to ensure that deficiencies are identified and corrected.

FEMA headquarters sets policies and establishes training programs but does not monitor state performance. Regional offices implement headquarters' initiatives and interact directly with the states. However, regional offices report directly to the FEMA Director, not to the policy-setting headquarters program offices. Headquarters officials told us that, as a result, they do not have comprehensive knowledge of state readiness.

Regional officials told us that headquarters has neither established performance standards nor developed a program for evaluating state and local preparedness for catastrophic disaster response. Therefore, the regions have no uniform national standards that can be used to judge state and local readiness. By creating performance standards and then evaluating how well state and local governments perform, FEMA can increase the accountability for all participating agencies.

CONCLUSIONS

The fundamental principles that guided the creation of FEMA--such as securing top-level commitment and ensuring the most efficient use of available resources--are sound and still provide the basis for an effective, rapid federal response to catastrophic disasters. However, because the implementation of these principles has left much to be desired, our nation is not prepared for catastrophic disasters and does not respond rapidly and effectively when such disasters occur.

In responding to disasters, state, local, and volunteer agencies should do as much as possible before turning to the federal government for help. However, it is essential to recognize that the magnitude of certain disasters, such as Hurricane Andrew, will quickly outstrip the capacity of all but the federal government to respond. For catastrophic disasters affecting large numbers of people, the military possesses a unique capacity to bring substantial resources and expertise to bear. And we run

the risk that if such help does not come quickly, lives may be lost.

FEMA currently lacks an effective strategy for rapid federal response. First, the federal strategy does not include provisions for such aggressive actions as independently assessing damage and estimating needs to help determine whether federal assistance is called for, and if so, how much. Second, FEMA has not developed operating procedures to specifically guide how the federal government will provide mass care and other relief services when the state, local, and volunteer effort falls short. Finally, the federal government needs to do more to ensure that state and local governments are better prepared for catastrophic disasters, thereby lowering the federal government's expenditures for assistance.

Hurricane Hugo in 1989 provided the nation with a warning, but adequate corrective actions were not taken. Hurricane Andrew offers us another warning that the nation needs to develop a strategy for rapidly responding to catastrophic disasters. Fortunately, relatively few lives were lost in either Hurricane Hugo or Andrew, but as we noted earlier, we could easily face much worse disasters.

RECOMMENDATIONS TO FEMA

The federal government needs to develop a catastrophic disaster response capability. We believe that the following recommendations represent important steps in providing such a capability. Accordingly, as we recommended in our recent testimony before the Senate Appropriations Committee, the Director of FEMA should do the following in the case of catastrophic disasters:

- Conduct independent and comprehensive damage and needs assessments and compile the information so that it can be effectively translated into specific requests for federal assistance. In doing so, attention should be given to identifying and using the resources and expertise that currently exists in the National Preparedness Directorate.
- Use the authority that exists under the Stafford Act to aggressively respond to catastrophic disasters. This response should include actively advising state and local officials of identified needs and the federal resources available to address them.
- Recognize that, in the case of catastrophic disasters, only DOD has the resources and capability required to meet victims' mass care needs. In this regard, FEMA, rather than the American Red Cross, should determine what

assistance is required from federal agencies--such as DOD--to provide mass care.

- Enhance state and local governments' capacity to respond to catastrophic disasters by taking the following actions:
 - continue to give state and local governments increasing flexibility to match grant funding with their individual response needs;
 - upgrade training and exercises specifically geared towards catastrophic disaster response; and
 - assess each state's preparedness for catastrophic disaster response.

MATTERS FOR CONGRESSIONAL CONSIDERATION

We believe that the Congress should consider

- providing explicit legislative authority for FEMA and other federal agencies to take actions to prepare for catastrophic disasters when there is warning, and
- removing statutory restrictions on DOD's authority to activate reserve units for catastrophic relief.

OPTIONS FOR IMPROVING THE FEDERAL RESPONSE

In addition to the specific solutions we recommend today, we have explored options for reforming and improving the federal response to catastrophic disasters. At your request, we expanded our work to include not just a review of specific activities in the response to Hurricane Andrew but also a broader look at overall federal policy and organizational structure. In doing so, we have focused our analysis on four options and believe the choice among them comes down to one critical dimension: The person or organization directing the federal response to catastrophic disasters must explicitly and demonstrably carry the authority of the president. With presidential leadership, the federal government demonstrates to the public that it is in control of the catastrophe and that it will use every means necessary to meet the immediate mass care needs of the disaster victims.

We analyzed four options for managing a catastrophic disaster. Each option would make a designated official the president's representative, with responsibility for ensuring that all necessary resources were brought to bear: (1) a key official in the Executive Office of the President (EOP); (2) a cabinet secretary, such as the Secretary of Transportation; (3) a key DOD official, possibly the Secretary of the Army; or (4) the Director

of FEMA. Any of these options can be put in place quickly by executive order.

In considering these options, it is important to understand that FEMA deals with many disasters that are not catastrophic in nature and has important responsibilities not only for response but also for preparedness and recovery. These other FEMA responsibilities would still have to be carried out by FEMA or some successor organization, whatever option is chosen.

Given this context, our analysis of the four options focuses on how each designated official could be the focal point needed to marshal the resources of various federal agencies into an effective and rapid federal response to a catastrophic disaster. On the basis of our analysis and discussions with experts, we would favor, in order of preference, either placing responsibility with a designated official in the Executive Office of the President or with a designated cabinet secretary. There was much more support among the experts we consulted for designating an official in the Executive Office of the President. Because of the military's unique capabilities for responding to catastrophic disasters, the Secretary of the Army is also a viable option. However, while DOD officials were willing to take on a mission to respond as necessary to disasters in our discussions with them, they were also reluctant to be placed in charge. Given FEMA's recent performance, the head of FEMA clearly would not have credibility at this juncture. However, for the long-term, legislative action may be preferable. Our analysis of the four options follows.

Placing a Key Official in the EOP in Charge of Catastrophic Disaster Response

The primary advantage of placing in the EOP responsibility for leadership and coordination for catastrophic disaster response is the perception of presidential leadership. Our view of the federal response to Hurricane Andrew and our discussions with experts in this area underscored the importance of this perception, particularly managing the crucial first few days of a major disaster. Furthermore, this option would institutionalize the direct presidential involvement that has occurred on an ad hoc basis in two recent disasters. Finally, by creating a visible presidential presence, the federal government would mirror the approach recommended by the National Governors Association: A governor should not just manage a disaster response from the state capital; he or she must be seen as actively in charge at the disaster site.

A variant on this option would be to place within the EOP, leadership not only for catastrophic disaster response but for all disaster response activities, with the supporting staff and resources to carry out those activities. However, this raises

two issues. State emergency management directors expressed concern about having an additional federal coordinating official with whom they would have to work in disaster response, particularly during the transition from initial response to recovery. Additionally, there were concerns expressed both in creating FEMA and in previous reorganizations of federal disaster roles that placing these responsibilities in the EOP would greatly increase its size.

Placing a Cabinet Secretary, such as the Secretary of Transportation, in Charge of Catastrophic Disaster Assistance

Arguments for this option center on institutionalizing the perception of presidential leadership in catastrophic disasters. In two recent catastrophic disasters--the Loma Prieta earthquake and Hurricane Andrew--the President designated the Secretary of Transportation to oversee the federal role. If this is a precedent that is likely to continue, then that role should be established in advance and made clear to the responsible Secretary well ahead of an actual disaster. If the goal is to enhance the perception of presidential leadership, then the EOP is a better choice than the head of an unrelated federal agency for whom disaster response would be an ancillary duty.

A variant on this option would entail assigning all of FEMA's functions, such as disaster preparedness, response, and recovery, to a cabinet agency such as Transportation. However, a 1978 Office of Management and Budget evaluation conducted before the creation of FEMA noted that assigning coordinating responsibilities to subdepartmental units had not worked for years. These units did not have the clout of an independent agency and had to compete in the budget process with the regular missions of their departments.

Placing the Secretary of the Army in Charge of Catastrophic Disaster Response

Placing the Secretary of the Army in charge of catastrophic disaster response would increase the appearance of presidential leadership. However, this option's chief value lies in giving responsibility to the official with direct control over significant resources essential to responding to such disasters.

Existing units that report directly to the Secretary of the Army clearly can be effective rapid responders capable of meeting the mass care needs that result from a catastrophic disaster. Not only does the Army have the trained staff, supplies, and other related assets in sufficient quantity, it also has the transportation capabilities necessary to get those assets to a disaster area within 12 to 24 hours.

However, this option raises the question of whether there is a need to retain control outside DOD over any domestic mission it undertakes. There was significant sentiment at FEMA's creation--sentiment that remains today--that assigning catastrophic disaster response to the Secretary of the Army would extend the military influence too far into civilian matters. This concern was particularly acute within the Army itself. Nearly all its officials with whom we spoke expressed strong reservations about military personnel assuming any domestic duties in the absence of a predetermined mission from civilian authorities outside DOD.

Keeping the Director of FEMA in Charge of Catastrophic Disaster Assistance

FEMA's effectiveness in responding to past catastrophic disasters raises questions about the agency's ability to adequately project the needed presidential leadership essential to managing such extraordinary disasters. Recent experience clearly indicates that leadership external to FEMA is necessary at least in the short run to ensure that the appropriate federal resources are brought to bear on the disaster. Sometime in the future, perhaps, FEMA can regain its credibility and take on greater leadership responsibilities. We believe the recommendations we make to FEMA in this testimony are necessary first steps and need to be acted upon to improve the federal response to disasters.

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Mr. Chairman, this concludes my prepared statement. I would be pleased to respond to any questions that you or Members of the Subcommittee may have.

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