

**CENTER FOR  
STRATEGIC AND INTERNATIONAL STUDIES (CSIS)**

**CSIS-LSU SERIES  
DISASTER MANAGEMENT AND EMERGENCY RESPONSE**

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RICK “OZZIE” NELSON: Well, welcome everyone. We’re absolutely thrilled to have Administrator Fugate with us today. This is the first time I think we’ve had, in recent memory, a FEMA administrator here. So it’s a unique event for us – Andrew is saying the first time probably ever. It’s good. It’s one of those events that gets a crowd like this. It’s something we normally – it’s an area we normally don’t address at CSIS.

But under the portfolio which I operate – and by the way, my name is Rick “Ozzie” Nelson, and I’m the director of the homeland security and counterterrorism program here at CSIS – the issue of disaster management and recovery is an issue that we’re focusing on moving forward here. So again, we’re honored to have Administrator Fugate here.

Before we move forward, I’d like to thank a few people and introduce one person in particular. But I want to thank our sponsors for this event: Louisiana State University and Mr. Joey Booth here in the front, and the Pennington Foundation, Ms. Lori Bertman who’s the CEO of that foundation, for their continued support for this.

This is the third event in a series that we’re having on disaster management. We had Admiral Thad Allen in November. We had an extremely successful event on international cooperation and disaster management last month. And then next month we’ll be looking at public-private partnerships where we’re hoping to have some CEOs or senior leaders from industry talk about that.

The series is designed – as many things at CSIS – to provide a forum for government officials and academic experts and leaders in the private industry to examine the critical issues such as preparedness and relief.

I also want to note that we have a special guest from Louisiana, Mark Cooper, who’s the director of the governor’s homeland security emergency preparedness effort down there. I had a chance in December to go down and see Mark and the operation they have there and it’s – as a former DOD person, I get impressed by command centers, and they have quite an operation down there. And, Mark, it’s an honor to have you here. Thanks for coming all the way up.

Now, onto our guest of honor here is Mr. Craig Fugate. I just spent – the first time I met him was today and we spent a couple of minutes in the back room and what an absolutely – just a personable individual and I’m so glad we’re going to have him here. You know, based on that, this is going to be a little less on remarks and a lot on questions and answers, per Mr. Fugate’s request.

So we’ll be doing that after I introduce him. He’ll come up and give a couple of brief remarks and then we’ll go right into questions and answers. I’ll moderate those, and those of you who know me, I run a tight ship – no statements and answers. Questions and answers.

But he really wants to have a dialogue and a discussion. So if you don't – you know, let's have a useful one. Be proactive in your questions and let's try to have – again, I guess, peel back the onion here to see exactly some of the changes that have been made under Administrator Fugate's time at FEMA.

One of the great things about him – I said he's kind of a strange fish here in Washington, D.C., because he's got a remarkable state and local experience and he comes to federal government, which is something – it's you know, much needed. In fact, we were joking about civics 101 and he says, I kind of touch on some of the nuances of civics 101 in disaster management. I said, this whole town needs more civics 101.

So please, let's start with disaster management. But before coming to FEMA, he was – he has a career in emergency management, volunteer firefighter, emergency paramedic and a lieutenant in the – is it the Alachua?

W. CRAIG FUGATE: Alachua.

MR. NELSON: Alachua – that's the Yankee in me, sorry – Alachua County Fire and Rescue in Gainesville, Florida. Now, we were trying to bet on whether he was going to have an orange tie in response to our Louisiana support – State support here. But he wore an "auburn" tie instead. (Laughter.)

So he also was appointed bureau chief for preparedness and response in 1997. And during his 12 years there with the Florida division of emergency management of which he served as director from 2001 to 2008, he managed some of the largest disaster responses in Florida history.

In fact, 2004 and 2005, if you recall, there were a series of hurricanes that proved very, very – were significant events obviously in Florida and a great challenge to respond to. And then with Katrina, well, you know, obviously that didn't hit Florida directly. It was also one of the largest, if not the largest, state-to-state supports as far as aid to that region and helping recover Mississippi and Louisiana.

After his time there, he also served as chief of the state emergency response team, managing numerous floods and tornadoes and all the other things that fall under that rubric. And then in 2009, he was appointed by President Obama to come take over FEMA and provide a new strategic direction and move FEMA into the next decade.

So, I will stop talking now. Again, Mr. Fugate, thank you so much for being here. We'll do your comments and then we'll go right into questions and answers. (Applause.)

MR. FUGATE: Hi. Well, I want to really leave time for some questions. I wanted to tee something up. Generally when you talk to FEMA, you're either of two minds. Either you think we are part of a national government and that FEMA runs disasters, in which case you don't really have any idea what we do, or you take the approach that it's always about the reimbursement mechanisms under the Stafford Act and grants and dollars and how you rebuild.

And I want to take a different path. I want to talk about something that my team actually named “telecommunities.” And people think this is like a brand-new policy. It isn’t. It’s emergency management 101. It’s getting outside and not looking at a regulatory framework of how you respond to disasters and reimbursement, stepping back and going how do disasters impact communities and what are the things that have to be built to be successful in meeting both the immediate needs but also starting that recovery.

We talk a lot about this in emergency management. And again, this is not FEMA-centric. This is me as a local: my practitioners and my peers at the state and local level, also our peers in the private sector. We oftentimes forget that in the private sector we have a large emergency management community as well as within the Department of Defense. So this is not something unique to just FEMA. It’s the community of emergency managers.

And so talking about this whole community, I want to kind of break it down because it’s not this big mysterious thing. It’s not a new policy. It’s just basic stuff, folks. We talk a lot about the public is a resource and not a liability. Now, this may seem like, well, what do you mean by that. It is a tendency that when a disaster strikes, we look at the public in a way that we’ve got to do everything for them instead of looking at them as part of the team and a resource.

We oftentimes talk at them. We don’t carry on conversations with them. And we tend to make decisions for them as if they are not going to be doing anything until somebody shows up. Yet we know in large catastrophic disasters, the initial response is not even a local government response. It is oftentimes neighbors helping neighbors.

As much as people talk about the search and rescue from the Coast Guard and Fish and Wildlife and others in Katrina, you know who was doing the first rescues? Boudreaux and their boat, neighbors helping neighbors. Yet we tend to dismiss that because they don’t have the incident command system training, they’re not credentialed, you know, the liability issues. And we tend to take away from what they bring.

So the first thing is we look at is the public’s not a liability. They’re a resource. But the public has to understand they have responsibilities. They must prepare. This then gets turned into the critics of us saying, well, the reason they need to be prepared is because you’re not going to help them. You can’t get there and you’re abandoning your responsibilities to take care of everybody five seconds after the disaster happens.

I’m like going, well, if you thought that was going to happen, you’ve got – I can’t help you. The reality is in these very large-scale disasters, the reality is if you optimize everything we do at all levels of government, you optimize all the volunteers and NGOs and you bring together everything that DOD does, we cannot get there fast enough. And here’s what happens.

People who don’t prepare because their assumption is somebody is going to take care of them, but had the resources and means to, cut in line. Guess who they cut in line in front of? The most vulnerable members of the community. The children and infants, the frail elderly, the

poor, the people that should not have to get in line behind you because you didn't get ready. This isn't about we're not going to respond or help. It's about this is shared responsibility.

So if the public is a resource, they also have to understand their responsibilities. They need to prepare to the best of their ability so we can focus our resources on the most vulnerable parts of the community. But we also need to recognize that if we look at the public as a resource, we also have to look at the private sector as part of the team.

We have for too long done what I call government-centric problem solving and it has the illusion of being very effective to the breaking point, that we try to build our capabilities around what government can do and bring into a disaster. And guess what? In tornadoes and floods and other small compact disasters, it is very efficient.

It falls into the illusion that government likes to have, which is control, bringing order to chaos in a disaster. And it's easy to manage. And if somebody wants to know what's being done, because it's all government, it's easy for us to say. But the reality is on any given day who provides the bulk of the food in your community? Private sector. They've got the stores. They've got the warehouses. They know the customers and they were delivering it yesterday.

But we always make the assumption when a disaster happens they're not going to try to get their stores open. They're not going to have those resources there. And so you get some of the idiocy I got in Florida which was we were so focused on what government was going to do, we started putting distribution points in the parking lots of open grocery stores. (Laughter.)

It wasn't intentional. In '04 when the power went out, the grocery stores were closed. By '05 they realized that they couldn't afford their competitors getting open so they were dragging generators in. They were bringing in circus tents. They were bringing in satellite phones, anything to get retailing. But we weren't part of the team. We operated what government was going to do with a blinder to the private sector.

So we ended up going to the places that served the greatest number of people with the best highway access and the most parking. Gee, that's where they're putting those big stores at and they were open.

Where should we have gone? Rural areas of my state that did not have those, inner city areas that do not have a presence, the so-called food deserts, and door-to-door in high-rise retirement communities where there was no power and the elevators weren't working.

But because we had all of our manpower and people focused on distribution to the bulk of the population without looking at the private sector as part of the team, we did not have the resources to do all that at once. So the business sector, private sector is part of this team.

And then finally FEMA's role in this is not one many people like to say. We're not in charge. In fact, if FEMA is in charge of anything, something's terribly wrong. You read our authorizing language, which we now have – not only do we have the Stafford Act which talks about how we administer financial reimbursement and direct federal assistance and coordinate

federal programs, we now finally for the first time have authorizing language that says what FEMA's job is under the Homeland Security Act as amended by the Post-Katrina Emergency Management Reform Act.

And you know what it tells us what FEMA's job is? FEMA's job is on behalf of the president and secretary for Homeland Security, to coordinate on behalf of them the federal resources in support of a governor or another lead federal agency. So what was FEMA's role during the Gulf oil spill? What does the law say we do? We support. Who was the lead federal agency? Coast Guard and we were supporting Admiral Allen with some of the things that he requested us to do.

Why did FEMA go to Haiti? We have no authority there. Of course not. It wasn't a FEMA response. Who had the authority to respond to Haiti? USAID. The president told us we were all in. Guess what? We supported USAID. So if I leave you with nothing else before I stop, the public's a resource, not a liability.

And we all have a responsibility to make sure that you're not getting in line in front of the most vulnerable citizens because you didn't get ready. Two, the private sector is part of the team. You can no longer approach the types of disasters we face on a large scale with a government-centric approach.

And third, FEMA is not in charge but we are authorized by Congress on behalf of the president and secretary of Homeland Security to mobilize the federal family and the resources that we bring with Department of Defense and other parts of the federal government in support of a governor and a declared disaster or in support of another lead federal agency based upon their plans. So with that, we'll take questions. Thanks, Rick. (Applause.)

MR. NELSON: I think you broke two records there. One was probably the shortest remarks in CSIS and probably the most substantive remarks in CSIS history. So thank you for that. We really appreciate those succinct remarks. And we'll go right in – right in to questions. One of the things that – I'll start with the first question, if that's okay.

One of the things – you talk about operational outcomes not in this speech but in other comments that you've made and that's one of the priorities at FEMA under your leadership. And based on the comments you said about achieving – (inaudible) – for the people in the audience here and that are watching on the Internet, what are the two to three things that you're doing at FEMA that are going to get you there? What are your priorities?

MR. FUGATE: Well, part of this is we actually have – and I think one of the representatives from back here from Big Lots joined us – we work with the retail federation and some of the other and we said, look, we cannot coordinate unless you're actually part of the team. And so we asked them and they are providing on a rotating basis senior executives that join the FEMA's team to help us coordinate with the private sector.

So one example was during the recent ice storm, there was a representative. At that time it was from Target. But they were giving us and talking back and giving us updates on all of the

major big box grocery stores and hardware stores and what their status was in the ice storm. So if we had to start providing assistance, we would have a better idea of what the private sector shortfalls were going to be.

Previously FEMA had no way to do that. And so again it's this commitment to if you're going to talk about it, you've got to bring them in as a full team member. This term "public-private partnership", it's like I don't want a partnership. I want your skin in the game. I want you there. And a lot of people say, why is the private sector even interested in this. It's like, it's a bottom line issue folks. They also deal with the same challenges that we're dealing with.

We oftentimes compete for the same resources. And so one of the things we're trying to do is ask different questions. Instead of asking the private sector what they're going to do for government is go what can we do to get you open. And so that approach.

The other thing is FEMA is schizophrenic in how we operate for years and there's a few folks here who've been here for a while – Leo and some other folks – where we were regional-based and then we were headquarter-centric. Well, I always figure when you go shopping, I shouldn't have to travel to Washington to go shopping and get my questions answered.

And FEMA had 10 regional structures. So we had migrated so much of the decision-making to headquarters that for most states the region was merely a speed bump day-to-day. They would just – nobody could make a decision in the region so you ended up going up there. So we took the positions that Congress gave us and, you know, I've never been in an organization that ever says they have enough people.

But we took positions. We took vacant positions that had not been filled and we gave them to the regions. One of the things we never had before, and Ernie Abbott will appreciate this, we never had attorneys in the regions. We now have an attorney assigned full-time in each region so that things don't have to come all the way up to the headquarters.

We've placed disability integration. A lot of people talk about disabilities from the standpoint of this is something, well, you've got to comply with the ADA. Well, no, folks, this is a civil right. It's not an architectural issue. And part of this is being inclusive. If you don't have people there in your planning and you're exercising, it tends to be after the fact.

So we have disability integration specialists now that have been hired that are in the regions. We in this country mismatched the Stafford Act as very much state-centric but we also have the issue of the sovereignty of the federally recognized tribes. All right, so we never had decided positions in the regions.

So I couldn't get enough positions. So I split one private sector and tribal so that we at least have a point person in each region for the regional administrator to be a subject matter expert about working with our private sector partners but also on tribal issues.

So this is moving from Washington-centric to get out to the regions and really kind of the idea as headquarters is where we develop the rules and the tools but the regions are where we

implement because Mark should be able to go to Tony Russell and with rare exception – Tony Russell is the regional administrator in region six – get the answers and have a team that is authorized to support Mark in that response without it defaulting to it's got to go up and get a "mother may I" from headquarters.

So just two kind of examples of we're not talking about it. We're not writing another policy guidance. We're not – well, they are updating the strategic plan. But I mean, we're like, if you don't put people in places and you don't start doing it, you just keep talking about it.

MR. NELSON: Absolutely. Thank you. Okay, what we have is we have microphones. So when you come around, a microphone comes to you, I'll call on you. We'll start right over here. Please state your name and affiliation if you have one and then go on to the question.

Q: Hello. Anne Richard, International Rescue Committee. I am curious to hear what you think the lessons learned were in terms of U.S. government response to the earthquake in Haiti. And my own sense was that one reason FEMA was involved so quickly was that the appointees at the top of USAID weren't really there yet and Raj Shah had just arrived.

And so had there been people, they might have been able to explain that they do this sort of thing all the time, maybe not on the same scale. The other piece of the question is what you think of the need for an international response framework. Thank you.

MR. FUGATE: All right, let's put the humanitarians against the responders. (Laughter.) Boy, did I learn a lot about this –

Q: I'm a fan of FEMA, I'd like to say.

MR. FUGATE: Yeah, this is kind of an interesting topic. First thing is whether Raj had all his political appointees or not, most of the USAID's core capabilities was working with NGOs and grant programs. Part of the problem we had was the U.N. compound was destroyed. So a lot of the U.N. leadership and where you'd originally start from got devastated.

We also had a situation, as the president pointed out. The United States has been able to project our force across the world. Yet here we had a country next door to us that we were going to constrain ourselves through the traditional roles of response. And again, the president of Haiti had made it very clear to our president that he wanted our help. This was not a question about, you know, country clearance or sovereignty of Haiti. The Haitian president said, I need your help.

And so it really became the proximity of where the resources were coming from. And we're the United States. We had urban search and rescue teams, two of which are dual certified for international response in USAID. But we had additional teams. We had teams in Miami who actually could tap into their local fire departments and get Haitian American that actually know the country, know the language and that could go down there.

We had satellite communication capabilities. We had public information that we could staff them up with and provide them greater support. And the president made it very clear to all of the agencies that USAID was the lead but we were all-in in supporting this. And so I think it set, you know, again, this rule that people said, well, this is really outside of FEMA's normal parameters. I'm like going, well, what were we doing? Coordinating search and rescue? Putting in communications to support the search and rescue teams, adding repeaters, doing public information, gee, sounds like what we do anywhere.

The fact that, you know, FEMA doesn't have a charter to go out of the country. Of course not, we didn't do it by ourselves. We did it under the taskings from USAID. So for me, I think it's a lesson that probably within this Western hemisphere when these types of events occur that the traditional response of grants and those programs, the fact that you actually have significant number of local and state response capabilities that could go, I think you may see more of that in this hemisphere.

It doesn't really work well once you get out of this hemisphere just because of the cost of sending teams versus the proximity of the resources. Within the international community, in fact there's a pretty healthy debate going on over in the E.U. right now about this within those folks who believe there should be an international response outside of the humanitarian challenges.

I will leave that debate to the State Department and the U.N. If I am tasked, we are prepared to support. But that is – it's a very lively debate upon the response community, particularly the international urban search and rescue and other teams and the more traditional humanitarian. But I am focused on what we do here inside of this country and if I'm asked and tasked by Raj to support him in the future, we are prepared to go. I mean, we essentially do what we do.

MR. NELSON: All right, thank you. Let's – somebody over – the gentleman right here raised his hand and then we'll work our way back across there.

Q: Thank you. I'm Leo Bosner, retired FEMA. Thanks for a great presentation, by the way. I almost wish I hadn't retired, almost, almost. (Laughter.) I want to ask Mr. Fugate if you could comment on three issues that I saw as a FEMA employee during Hurricane Katrina that causes real problems and asked what he's been doing.

I'm sure he's been doing a lot to address generically issues like this. One was that we had really lost by 2005 a lot of our state and local connectivity and credibility and it was hard for FEMA to work quickly by then, I think with our partners.

Second was the issue of how do we work with Homeland Security. The Homeland Security people really in my view caused us a lot of problems during Katrina. I'd like to see how that's been worked out. And then thirdly the question of just who do we address problems that get identified but never get fixed or problems identified in Hurricane Pam exercised a whole year before Katrina but a year later they hadn't been fixed, so what you're doing to try to get on top of that, and thanks again.

MR. FUGATE: Well, since I was one of them, they've reminded me time and time again just because I'm up here in Washington they know where I live. So the state directors and I have a very healthy dialogue. The one thing I can say that I appreciate, they don't blow smoke up my and I don't blow smoke up theirs. We have pretty frank conversations and we'll disagree.

But I think Mark can attest to this. Normally the state directors would have a conference and the FEMA administrator would routinely fly in and fly out and speak 30 minutes and be gone. I try to be there at the conference. I try to make myself available. We have a closed-door executive session which is basically everything's on the table. We don't hold anything back and we don't script it. So I think that that relationship – the real challenge, Leo, isn't the existing state directors.

It's how many new state directors we've had and, you know, Mark's gone from being one of our rookies to being one of our more senior state emergency management directors in a relatively short period of time. So it's really how do we pass on to the new state directors the lessons learned and the network that can support them. And so that's one challenge.

The other challenge was how do we work with DHS. I just ignore all that stuff that was going on before I got here. Secretary Napolitano, the dep sec and I, we get along great. Congress basically said the FEMA administrator, one, is an elevated position. The position was upgrade to a level 2 executive. There's only two other level 2 executives in DS, the deputy secretary and the undersecretary for management.

The law says that I only report to the secretary, that it is illegal for me to report through anybody else. So that was the framework that we walked into. But then again, Secretary Napolitano was also a governor. She dealt with this from a governor's perspective. And, you know, there's a lot of people saying should FEMA be in or out of DHS. And I said, you know, really that debate should be over because Congress already has ruled on that. You've got to focus on doing your job.

And then there's this other term, realizing my press guys freak out when I say this, called OPM, other people's money. FEMA doesn't have an air force but the Coast Guard and CBP do. And one of the great things about being inside of DHS is we're able to leverage a lot of our capability.

So again, when Admiral Allen – I mean, we don't fight oil spills. I don't really have that much stuff. But when he needed more people to help get out community messaging, helping support public information, things like that, well, those are things we have. And so our ability within DHS to share those and work as a team I think really starts to show some of the benefits of, yeah, there was a lot of stuff that happened before but I didn't start with that.

I started with a new secretary, a new organization focused on doing our job and trying to be a good team member. And that seems to have put a lot of that in the past. And you've always got your little bureaucracies but we've even got that in FEMA. So that I think is normal. But I think some of the stuff that was going on before – we just started off going, we've got a new secretary, we've got clear direction in our authorities, we're going to function as team.

And then the last one is a lot of times the exercises were so phony that if you learned the lessons, you basically learned the lessons to a bad Shakespearian play. (Laughter.) So I mean it's sort of like state needs generator. FEMA says, okay we've got generators. Well, there's not indefinite generators. You know, some of the lessons from Pam you learned was that the federal government is going to do all this stuff. And it's like, you can't.

So the easy answer a lot of times was just to say, yes, when the more practical answer was going, how you prioritize that, where is it coming from, is this going to be something that the state would be faster sourcing privately and reimbursed. I mean, this is the thing. Here's – this is how bad it got when I got to Florida.

I actually thought FEMA had an icemaker because every time we had a hurricane we ordered ice from FEMA. So my assumption was FEMA had an icemaker because every time there's a disaster we'd ask for food, water and ice. So we'd get MREs – which weren't anything suitable for anybody under the age of 16 and, you know, over 16 or under 80 is about the only people who could chow on those things – bottled water and ice.

It turned out they were buying the ice from an ice maker in Jacksonville. They were buying it through a mission assignment through the Corps of Engineers which was a 20 percent markup for their overhead to have their ace folks and everything they had to have in place. So essentially we were buying ice from a Florida vendor to be shipped through FEMA's systems with overhead to the U.S. Army Corps of Engineers to come to me. And then I still had to pay the 25 percent match.

So I asked a question: why don't we just order the ice from the ice maker ourselves and get FEMA to reimburse as an eligible cost? And so a lot of this was, again, if you go through these exercises, really going back and going, look folks, bring up these issues. And we kind of backed off some of the stuff and said there's a hierarchy to what you're got to get done.

The first thing is you've got to be able to physically get back into the area of impact. So it doesn't matter what our plan says. If you cannot get into an area, I don't care how many generators you have on trucks. They're still not there.

So, you know, again, can you get in there? Second thing, it's got to be safe and this is really generally going to be where the governor is going to use their resources, their mutual aid for law enforcement, their National Guard. But again, if you lose that, even the perception that it's safe, what happens to all the other parts of the team that don't carry guns? They're stopped.

The third thing is search and rescue. And if we don't get to the injured, they don't get a time-out. They don't get a do-over. I mean, it's like that's finite. And so you can start moving through this hierarchy and what you found with Pam was you're getting so far down into the event that you weren't focused in on you may not be able to do generators.

You may not be able to do food distribution if you still haven't got the resources to reestablish enough capability to make sure that it's a safe environment to operate in, that you are not diverting away from search and rescue.

So we're moving back to hierarchy of what we're calling a MOM, a maximum of maximum, to plan against versus we're going to try to build a response out of pieces and hope we get there. We're defining an outcome with a timeframe.

And then we're not defining it as only what government can do or only what the federal government can do. We're really looking at who's got the best resources, who's got the core capabilities, and in some cases, some of those missions may be better served by actually tasking a contractor turning to the private sector and asking a different question.

If you can get your stores open, then I don't need trucks hauling food. I need those trucks out now hauling generators to get to the wastewater treatment plant. So that – you know, part of what we're trying to do in our exercises is make them more realistic, make them less – make them not so much free-form as less scripted and actually get to the issues and then recognize there are no easy answers.

And so part of this is having the state with the visibility in there saying we've got to make choices. And they're not going to be popular choices but they're pragmatic based upon this you can get done in the timeframe, this is how much stuff's available and this is who on the team's got the best solutions. So we need to work to make sure that is what we're focused on.

MR. NELSON: All right, thank you. Let's go to this gentleman right here and then we'll go back over to the gentleman over here.

Q: Thanks, Rick.

MR. NELSON: Stand up.

Q: Mike Herman, how are you?

MR. FUGATE: Good. A lot of this is Mike's fault actually.

Q: I'm not going to admit to that or deny it. (Laughter.) As you know, it's not a big surprise for me to say that I agree with you that emergency management is primarily a state and local focus. And there's a lot that's tried to be done to focus on that. And we've also had a situation in the last – particularly since Katrina, and some could argue since 9/11, where in the last administration in particular it was presumed that an emergency management was really a federal function.

Now, we have this dilemma where we're in the tightest fiscal times we have probably since the Great Depression. We have a constitutional and proactively statutory and operational recognition that emergency management is primarily a state and local responsibility. But there

are lots of folks in Washington who still think it's a federal responsibility and lots of dollars in Washington.

How can you create incentives or do things to really create the opportunities to put the capability back in state and local governments where the responsibility is and frankly, as you pointed out, you can't get there as quickly as you need to.

MR. FUGATE: Well again, I think it's some of the things you said. Longer term is looking at some of the incentives that were built as pilot programs in the Stafford Act, one of which was – I was very fond of – was just one of your most costly pieces of a disaster is debris management, debris removal, what we call category A.

There was a pilot program that was passed that for a certain period of time would provide that if states and locals developed enhanced mitigation – enhanced debris management plans, the cost share would not be 75/25. It would go to 80/20. The thing about cost share you need to understand is what Congress says in the Stafford Act, the cost share shall not be less than 75 percent federal, 25 percent state and local. The states determine how they do their match with locals.

Some do no match and the locals pay everything. Some split it. Some pay it all. Some do a variation. But what the Stafford Act says is the assistance shall not be less than 75 percent. We have a rule that says once you get to a high level of impact of over \$120, \$130 per capita – total state population times 130 (dollars) – once you get to that cost, we will move the cost share to 90/10.

But we've never really looked at using the Stafford Act as an incentive to provide a higher cost share based upon steps the state takes to reduce the overall cost and contain cost. An example is if the governor will call out their Guard – and again, most states don't have a Reserve for disasters. They don't have a disaster, you know, response fund like we do with the DRF. So for them, it comes out of budget. It comes out of operating costs. But the reality is the difference between them calling out their Guard or we getting a tasking that we end up tasking the DOD under a Title 10 is actually the cost is far greater than whatever the 25 percent match was.

So trying to incentivize that where we can provide with our disasters – if the states are doing more to contain costs and doing more of what they can do through their contracting and save us money, could you look at things like cost share. So these are some of the strategies. And if you look at the deficit – presidential deficit commission – reduction commission – just some of the things they're pointing out is the Stafford Act and the way declarations have occurred are really not driving that. What they're doing is they're serving as almost to a safety net at a very low level.

So it's not really driving this incentive to increase capability at the state and local levels. And it's actually getting into an area where is this going to be sustainable. So again, I think if you look at the presidential budget recommendations for '11 and '12, one of the things we're still funding – and it's an interesting program because of its history – is the emergency management

performance grant programs. Those programs go all the way back to civil defense and it's one of the very few programs that ever funded positions.

And it is constantly under attack and everything like that. But the cost savings – you know, because I'm kind of – you know, when I look at this it's like, okay, why is this a good idea to pay for staff and state and local governments in what is inherently a state and local responsibility. Well, this is the one area that historically has been the least supported at the local level. But where you do have a program can significantly reduce your state and federal response cost.

My experience in Florida was where I had strong county programs, my costs were pretty low. I just had to bring them stuff. But where they didn't have a strong program, I had to bring in management teams, a lot more capabilities and that cost meant that until those teams were there, we were delayed in our response and our costs went higher.

So it's, again, where do we make our strategic investments? You know, this term, how do you buy down risk, is kind of a hard thing to say when you're dealing with a variety of hazards. But if you can increase capability that you can show reduces the overall cost and reduces the frequency of how many times we end up having to task federal agencies to do something, then there are some savings.

But it is – you know, in this fiscal environment – you know, here's the bottom line. You really want to get to the cost of disasters, start getting some incentive in there to really push building codes that are based upon the hazards of the states they're in and use that as leverage to get states to adopt stronger codes. Everybody says, well, you're going to price out the homes.

It's a cost of living thing. You know, people can't afford houses. I had people in Florida that had homes built before the statewide unified building code that were bought affordable. They lost everything because they were upside-down in their mortgages. Their insurance didn't give replacement cost and their roofs were not able to withstand a category 1 hurricane while their neighbors whose home was built after the unified building code in the same price range, selling in the same market, didn't lose their homes because their roof didn't blow off.

So, you know, this is – you know, it isn't going to be easy. But the Stafford Act as itself is not the tool that's going to drive this unless we can figure out how we can build incentives in there so that states and the locals on the front end are actually responding more aggressively and reducing the overall cost, particularly when it comes to things like holding down costs on big ticket items like debris.

MR. NELSON: The gentleman right over here?

Q: Yes, hi. My name's Peter Hyde (sp). I'm just an interested bystander. But –

MR. FUGATE: Really? Does that occur in this town? (Laughter.)

Q: It's got good benefits, being a bystander. Anyway, you mentioned in your remarks the importance of using the public as a resource.

MR. FUGATE: Yep.

Q: And I think that's a really important concept and resiliency of a society being able to recover after a disaster. People want to be soldiers, not victims, and to some extent it seems that with the ubiquitousness (sic) of social media, that offers a tool to coordinate the public in a way that we've never enjoyed in the past. And I was just curious to what extent FEMA is developing a strategy through which you could coordinate people's movements, their participation, et cetera, et cetera. Thank you.

MR. FUGATE: Okay, well I actually foresaw this. I was actually tweeting yesterday that the biggest danger at FEMA now wasn't the creation of acronyms. It was new hashtags and that at some point a hashtag would be used in a presentation. So here it is. The hashtag in Twitter you want to follow is #SMEM. It's a rather lively debate going on among emergency managers of how social media can be used.

But here's the caveat. You cannot use social media to control people or direct people. This is, again, if the lessons of the unrest that's occurred overseas as well as our own experience in disasters. The trick is you have to figure out that you now have a tool you never had before and that is we can now engage in a two-way conversation. But we cannot tell the public what – where to go and what to do. We can give them information.

But you don't – this isn't a tool where it's like another way of broadcasting to them like over the radio or T.V. This is actually where they often will determine – they actually determine which hash tags they're going to use or how they're going to talk about something. So it's a new era for us. And as somebody once – some of the emergency managers said, this is sort of like when radios got introduced. This is a way of communications we've never had before. So it's starting to tear down some of the barriers between us. But here's the trick. There's no way for us to have a two-way conversation with millions and millions of people.

But we can see what the issues are, what the concerns are, what they're hearing, what they're doing and then respond to that and try to do a better job of addressing those issues or concerns. And so, you know, we've been using things like – we did a joint project with Tennessee in the Tennessee floods where we did a joint Facebook so that we could post.

People were kind of surprised we let people post negative comments about the response there, feeling that we were going to censor that. And the only thing we were censoring was anything that was offensive to the general public. But if it was critical, fine. I'm trying to get my guys to blog and actually put information out there that don't read like press releases and then allow people to comment about that.

And using Twitter as a dynamic tool – again, not as another tool to issue a 140-character press release, but to put information out there and then see what people respond back to. And it's actually become something pretty fascinating within the emergency management world. It's

actually breaking down and speeding up communication among emergency managers at all levels, volunteer NGOs and government, about how fast this is emerging and changing and ideas and techniques that traditionally was limited to conferences and courses.

So here's the joke. FEMA would like to innovate at something faster than the speed of government. And so we're looking at social media and other tools that we're not so much dictating it as we're followers trying to learn how the public uses these tools. And the reality, we need to fit how they use it, not make them fit how we operate.

MR. NELSON: Great, let's go ahead to the uniform over here.

Q: Thank you, sir. I have a question –

MR. NELSON: Could I get your – wait for the mic and get your name and your affiliation, please? Thanks.

Q: Okay. Major Tom Lesnick (sp) from the Air Force, not representing the Air Force, just in the Air Force. (Laughter.) A question about managing expectations and speaking plainly – obviously you're a plainspoken guy. It seems as though there's a murkiness to every event immediately following a disaster.

There's an expectation we're going to go from incident to recovery right away. And then emerges a leader who speaks clearly and forthrightly. What steps have you taken to talk to your regional officers about being forthright with the public so that they have an understanding of when recovery phase is going to take place?

I hope I've asked that question clearly. It seems as though an Admiral Allen always emerges after confusion, a General Honoré always emerges after confusion. How do we get that person up front right away because I truly feel as though populations embrace those characters and it helps communities heal?

MR. FUGATE: Well, the person that would normally deploy into a state in that situation is a federal coordinating officer and I've given clear instructions the first one I see in front of the governor briefing, I shoot. My message to my federal coordinating officer is pretty straightforward. As long as the Mark Cooper and his governor are getting things done and we haven't embarrassed the president, we've had a good day.

And I think this is one of the things about making clear FEMA is in a supporting role. We're not in the – we're not running the disaster. Also, as you say, we need to be clear about what we can and can't do. There's a lot of mythology about when people hear about individual assistance that we're going to make everybody whole. And the first thing I do is going you can be made whole with \$30,000 if we max out every piece of the program and everything you can get which is rare.

Do you know what the average amount of money people get from FEMA in most disasters is? It's about \$2,200 to \$2,400 and the Tennessee floods was a little bit higher because

of the flood damage. But it was a little less than \$8,000. And so, one of the things about it is with our regional administrator is building the team with the states and with the governors, particularly with new governors, making sure that we all understand what our programs can and can't do.

And we find that the best advocates for this is the governors speaking to their citizens, explaining what they're doing, how FEMA is going to help and what we can do. But it's also being clear not that we'll go in there and say we're going to fix everything, make everybody whole, everything is going back to normal. It's a disaster, all right? There were losses. People died. People's homes were destroyed.

And again, the FEMA programs are not designed, nor was it the intention of Congress that the Stafford Act make communities whole and make people whole. It is a tool to start the process. There are other programs. There are other capabilities. But too many people have made the Stafford Act and FEMA central to that we have all the answers and all the funds.

Quite honestly, in Tennessee the folks that were in shelters – and Leo knows this – we would go into a disaster and put people in a FEMA housing program, all right? Our programs statutorily and by rule, we go about 18 months and then we don't have any more capability to go. But if you're in a shelter after a flood two weeks after it, you're not going to be in a FEMA program for 18 months. You're going to have a long-term issue because you're not in a shelter two weeks after a flood because you've got options.

So part of this is building a better team and coming in with a better program. Who's got the best program for those people displaced that have long-term housing needs that are going to be supported? It's HUD. So why wait 18 months? So one of the things we've been doing as part of the administration is building the team around who's got the best capabilities.

And so we brought HUD with us into those shelters and began leasing people into the HUD housing program versus putting them into a FEMA program as an intermediate step because the reality was they needed a long-term housing solution, not a temporary solution. And so these are the types of things you come back – you know, people like talking about managing expectations. I'm like, good luck. (Laughter.)

What you've got to focus in on is what the needs are. There's a lot of wants out there. But there are certain essential needs you've got to focus on. The first one is if the community isn't safe, you're not going to step two. If people don't have a place to live, you can't get jobs back. If the schools don't open, people aren't going to stay.

So you know, people would like to be held harmless. They want everything to be great. They want it – look, my theory in Florida as if you're complaining about how long the line is to get your free ice, it's a good day. You're breathing. You're alive.

MR. NELSON: This side of the room? Anyone from over here?

Q: John Ethrup (sp) from NORTHCOM. Could you tell us a little bit about if there's any effort to revise HSPD-8 and to address some of the planning, synchronization and coordination programs for federal plans?

MR. FUGATE: Yeah, national security staff have been working on that. That was one of the early HSPDs they've been reviewing. It's in the interagency. It's actually now out in concurrence process with the deputies. But again, as I've been known to do, it's like that's – I'm not waiting.

We're charging ahead focused in on –using catastrophic is kind of a benchmark to plan against to go if our systems don't work in that. I've never seen anything scale up and work in a disaster. So if you can work these issues and figure out how you deal with the big issues and those challenges, then it's easier to scale down.

So we've been less focused – a lot of people like to focus on scenarios. But I was a paramedic for a while and I kind of asked this question. So what kind of different paramedic do you need if it's a weapons of mass detection versus a building collapse or versus a flood? I mean, how many different kinds of paramedics are there? Essentially you break it down into what you do and what you're trained to do. And you may have some enhanced skills.

But the bottom line is you don't suddenly become something you're not. And so when people are so focused on scenarios and it's driving – and it's almost like you need a whole different team. It's like there is not a whole different team. The whole thing about all hazards we use a lot in emergency management wasn't they're all the same.

But the mayor is the mayor. It doesn't matter what happens, what disaster, whose authority, what federal entity is going to show up. The mayor is the mayor. The police chief's the police chief. The superintendent of schools is superintendent of schools. And hey, guess what, when you really boil it down, you're going to do inherently what you're trained to do.

It may be more of one side or the other. There may be different agencies that have lead responsibilities. But guess what emergency management does? Who's got the best answer? Who's got the best team? Then our job is on behalf of our authority having jurisdiction to make sure we're all working to support that.

One of the lessons I learned is when you've got state veterinarians setting up a command post, ordering up phone lines and setting up and trying to build out these things, that's that many more state veterinarians not focused on an animal disease outbreak.

And once they figured out that we weren't coming in there to run their job, they realized that the emergency management team, we can support a state veterinarian dealing with an animal disease outbreak and help them with all of their logistical needs so that the state veterinarians can be state veterinarians and do the epi investigation instead of trying to figure out how to find billeting, rent cars and schedule meetings.

MR. NELSON: Let's go all the way in the back on the left side over here.

Q: Thank you, sir. Clyde Parris, Embassy of Barbados. Sir, in your experience, a question on security or security concerns or even, in my view, fear of victims – how has that impacted on your ability to operate effectively, and can you cite, you know, any examples to illustrate? Thank you.

MR. FUGATE: You know, the hurricanes that we ran into in '04 really gave me an opportunity. I had kind of been bubbling around with this since I became the state director and we were dealing with the immediate aftermath of Sept. 11<sup>th</sup> and the anthrax attacks, which actually the first ones were at the AMI Building down in Florida and dealing with some of those things. And I began looking at what we had learned from Hurricane Andrew and applying it against the recent attacks.

And one of the things I began to really try to get across to the team was we don't have time to assess. Every time we send people out to assess how bad it is, is less time we have to respond. And that's when I first said, why don't we just respond like it's bad? The traditional way we do security is you wait until there was a problem then you start calling out the Guard and sending them there.

I said, well, why don't we just send the Guard there in the first place? I had a great general at that time, adjutant general of the Florida Guard, Major General Burnett, and he coined a term "presence in a mission", that if we wait for security to become an issue, we lose control, nor did it require us to have somebody on each street corner with a gun. In many cases, if you had a Humvee or a sheriff's deputy or even a utility truck immediately in the area afterwards, it reassured people.

You really kind of come back to what people go through in the trauma of a disaster and how they are dealing with that. And the first thing they deal with is they're cut off. They have no communications. They don't know what's going on.

And they oftentimes – they only know what's around them as far as they can walk and as far as they can see. So this isolation tends to sort driving a lot of the situations that people will allude to and say, well, it's looting and other things. Well, it's actually pretty much survival mechanisms.

But if people see a presence of authority, A, it means they know they're not by themselves. Somebody got there, all right? Two, it reassures them that help is coming. And so we would – we would – and with the hurricanes coming in which is something we could see, we would just deploy based upon it was going to be bad and we would try to get in right behind the winds. And I had a lot of sheriff's in Florida who were quite angry at me because how dare I suggest they didn't have full control and who was I to come into their county.

And I'm like, look, here's the way it's going to work. They're going to show up. You want to get mad? Talk to my boss. He's the governor and he actually has this authority. And oh, by the way, your guys have been working their rear ends off getting ready for the storm,

evacuating. Wouldn't it be nice to get some relief in here so that they don't have to go straight into directing traffic and so they can check on their families?

And hey, if we're only going to be here a day or so, let us do some of the stuff to help you so your guys can take care of their families and then come back and it's yours. We're not taking charge. Sheriff, you're in charge. But here's some help.

And at first it was a turf issue but afterwards people got it. And we did not have – and again, I had areas that were subject to the things that you would have seen in Katrina but on much smaller scales. It just didn't happen. You now, you'd get reports of looting but it was very isolated.

But what we got time and time again – and this is something any governor that's been in the business will learn – one of the best things a governor can do to show people that they have seriously committed to responds to this disaster is to see that the Guard got called out. And so sometimes you focus so much on, you know, the idea that if nobody's shooting and nothing's happening, you wait. It's also a very psychologically powerful too.

And again, you know, Honoré was right. You don't walk around with your guns pointed, all right? Just being there in uniform, just being there in the vehicles and being seen is really – for what we found was what settled things down. And it actually started doing something a little bit more different in that once people saw them, people started coming out and realizing, I need to go do something. So they weren't just at their house because a lot of people, they wouldn't even leave their property.

But once they started seeing the Guard and seeing our Florida highway patrol and others, the sheriff's office – and we had really robust mutual aid stuff going in, people then started getting back and leaving their homes and going back to their places of work or going back and seeing how bad the school was damaged. And they started moving back into what are the things we need to get going to get on our feet again. They weren't holed up.

And so, again, this is a tendency that we only bring out security when we lose it. Basically, you've lost because it's going to take a better part of three or four days in our experience to get control again. You're going to require vastly more forces than you had in the first place and you escalate the risk. You're going to have to use deadly force, which again, nothing's happening if you do that. So it's a different way of approaching it, particularly in the islands down there is you guys get hit.

People, again, if they don't see authority and they don't see hope and everything's pretty bad, they're going to start their own survival mechanism and then that gets kind of scary after that when that starts to break down and they don't see that government's got some control.

So it's a way of looking at it. It's not – again, it's not this thing where as emergency managers we're always taught you have to overwhelm the first level to go to the next level to go to the next level, what I call the dominos theory of failure, which is what it usually turned out to.

And if you wait until you know how bad it is – it's like we were really big on sending assessment teams afterwards to survey the damages to report back up and go to we need it. I just took the approach, you know, if you've got a category 3 hitting the coastline, it's probably bad, unless it's the King's Ranch in Texas which apparently you can hit with a category 4 and the cows just turn backwards to it. (Laughter.)

But you know, if you get a major earthquake, you know, you get a big hurricane coming in – I mean, really, how much assessment do you have to have to know you're going to need stuff? And there's always this risk. People want to be cost conscious. Look, there is – people accuse me of this. It's like I basically tell you, you can be fast, you can be cheap or you can be accurate. Pick one.

I don't run a disaster that way for seven months but in the first 72 hours it is a lot better to have too much. It's like I tell my guys and for those of you that are recoding this and members of Congress or your staffs that are seeing this, if I don't have enough stuff there fast enough, I'm going to get fired. If I have too much stuff, you're going to call a hearing. You pick. (Laughter.)

MR. NELSON: Well, on that note – no, that's great. I'm still back on the cow reference. (Laughter.) So no, that's – unfortunately this is all the time. We have to be respectful of Mr. Fugate's time. This has been absolutely fascinating discussion, really enlightening and appreciate you being so open and receptive to the questions. So thank you very much for taking some time out of your schedule.

MR. FUGATE: Thank you. (Applause.)

(END)