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On

“The Role of Private Sector in Preparedness and Emergency Response”

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Chairman Begich and Distinguished Members of the Committee, My name is Daniel Stoecker. I am the Executive Director of National Voluntary Organizations Active in Disaster (National VOAD).

Thank you for the opportunity to appear before you to address “The Role of Private Sector in Preparedness and Emergency Response.” I will use my brief remarks to highlight a few opportunities, challenges and recent innovative initiatives that demonstrate how the Private Sector, FEMA and other Federal government agencies can and do work together to better prepare for and respond to disasters.

National VOAD is a nonprofit, nonpartisan, membership based organization that serves as a forum where organizations share knowledge and resources to help communities prepare for and recover from disasters. National VOAD is a coalition of 54 of the country’s most reputable national faith-based, community-based and other non-governmental organizations, and 55 State/Territory VOAD coalitions, representing Local/Regional VOADs and hundreds of additional member organizations throughout the country.

We are dedicated to whole community engagement, recognizing that all sectors of society must work together to foster more resilient communities nationwide. In recent years, the VOAD collaborative has begun to focus on growing and strengthening the VOAD movement, as well as welcoming partnerships with emergency management and other government, business, education and civic sector organizations.

Within the Federal government, National VOAD and FEMA/DHS established a formal partnership agreement in 2010 to work together throughout the disaster cycle to enhance cooperation, communication, coordination and collaboration between government and the private nonprofit community. We just established a similar relationship with USACE around the specific subject of mass care, which I will reference in a moment. Over the past year, National VOAD has also begun working with other federal agencies to identify and implement public private cooperative opportunities, including with HHS (ASPR, CDC, Medical Reserve Corps, SAMHSA), HUD, DoA, USICE/DHS and DoD (National Guard Bureau, US Northern Command).

Each of the distinguished Members of this Committee should be very proud of the VOAD coalition members and their volunteers serving the communities in your states. Your constituents gather to form VOAD coalitions to better share knowledge and resources throughout the disaster cycle. Working with emergency management and others, they provide the leadership that builds resilient communities and delivers hope in time of need.

I will quickly share a few examples of private-public partnerships that demonstrate promising opportunities going forward:

1. Chairman Begich, in the summer of 2009, several National VOAD member organizations were engaged in an expedited home rebuilding effort to assist residents recovering from a

flood disaster in a large, remote area of Alaska. Flooding and ice jams on the Yukon and Kuskokwim Rivers caused significant damage to several communities. Several factors converged to make this case of disaster recovery effort relatively unique. First, the disaster-affected area was quite remote, which presented challenges in terms of providing rebuilding material and labor to do the recovery work. Second, in order to avoid dislocating individuals and families for an extended period of time, the home rebuild and recovery work needed to be completed before the onset of winter, which necessitated completing the work projects in less than three months. And third, the process approach undertaken through a FEMA partnership with the VOAD organizations directly supplying building and repair services was a departure from more typical practices of contracting private for-profit building firms. The collaboration saved state and federal resources and helped families recover more quickly.

John Madden, Director of the Alaska Division of Homeland Security & Emergency Services, was key to the success of this project. Director Madden is now President of the National Emergency Management Association (NEMA), which has recently led to new strategic engagement opportunities between NEMA and National VOAD.

2. Ranking Member Paul, VOAD agencies leapt into action in response to the tornadoes that swept the Commonwealth of Kentucky last year. VOAD organizations ranging from Mennonite Disaster Services, NECHAMA Jewish Response, Samaritan's Purse and many others, removed debris, repaired and rebuilt homes, and even worked to retrofit a warehouse so that the elementary school in West Liberty could reopen in a matter of weeks rather than months. This is yet another demonstration of how nonprofit agencies can step in to identify and help meet needs of local communities after an event devastates their region.
3. US Army Corps of Engineers (USACE)
The recent National VOAD partnership established with USACE began at FEMA's National Response Coordination Center (NRCC) as we were preparing for Hurricane Isaac. The NRCC not only serves as a place where high level Federal and State interagency coordination is executed, FEMA has also arranged for National VOAD and other appropriate private sector partners to have representation there as well. This enables us to better coordinate public-private resources for a more effective response to the needs of individuals and communities impacted by disasters.

As a result of coordinated problem solving at the NRCC, a Temporary Roofing Mission Pilot Program was established by FEMA, USACE, National VOAD and two of our members, Southern Baptist Disaster Relief and Louisiana VOAD. The result was a model for getting 'blue roofs' on homes in a quicker and less expensive means for both the federal government and for the states, who are required to match a portion of the costs for such deployed programs. The use of VOAD organization volunteers decreased costs for federal contractors and local volunteer labor offset the state's 25% match.

Going forward, the USACE will be working with National VOAD to develop standard operating procedures for collaborating on a variety of emergency support functions, and will provide related training and technical assistance for National and State VOAD members.

4. Establishment of a National Mass Care Strategy

The American Red Cross and FEMA signed a MOA on October 22, 2010 that describes how FEMA and the American Red Cross will work together as co-leaders of the mass care portion of ESF-6 of the NRF. The MOA calls for FEMA, the American Red Cross and National VOAD to strengthen response capacity by developing and promulgating a National Mass Care Strategy.

A public-private National Mass Care Council was established to guide the process to establish a framework to enhance coordination, pool expertise and strengthen response capacity in the provision of mass care services throughout the nation. In September 2012 the **National Mass Care Strategy** was released, and then disseminated over the past 6 months. It provides recommended courses of action for the delivery of improved mass care service to the nation, with five strategic goals that seek to move the nation in a direction that increases the capabilities and capacities of the Whole Community across the range and scale of disasters to which this country is vulnerable.

Going forward we will be working with an expanded group of national and local public-private organizations to address implementation of the National Mass Care Strategy in States and local communities.

5. FEMA has representation on our National VOAD work groups and committees that convene throughout the year to find solutions to the challenges brought by disasters. There we work together on ways to better engage and care for volunteers, manage unsolicited donations, provide mass care and recovery services, and improve private – public resource coordination. For example, this mechanism was used to create a Multi-Agency Feeding Plan template that serves as an educational tool assisting jurisdictions, NGOs, Private Sector and other stakeholders providing feeding support to understand the complexities of implementing a coordinated and collaborative feeding assistance plan in advance of, during and after a disaster throughout the impact area of a State.
6. Lastly, further highlighting the value of public-private partnership, the UPS Foundation and the Business Civic Leadership Center (BCLC) of the U.S. Chamber of Commerce exemplify two replicable partner projects with National VOAD following the landfall of Hurricane Sandy. The UPS Foundation worked with National VOAD to provide more than \$100,000 of in-kind shipping services to nonprofit agencies to move materiel into the affected area, including flood cleanup buckets prepared by VOAD agencies such as Church World Service and Presbyterian Disaster Assistance. The BCLC created a web portal for their community of businesses and corporations to find opportunities within the nonprofit community for skills-based volunteerism, such as strategic development, process improvement, and marketing.

Legislative or Administrative fixes that could serve to facilitate better private – public resource coordination:

1. Please see attached Appendix: A related to National Mass Care Strategy document, which outlines a set of priority recommendations related to Goal 5, to “Strengthen and Unify Mass Care Legal and Policy Foundations.”
2. Stafford Act, Sec 309, Use & Coordination of Relief Organizations:

Clarifies that the Federal government may enter into agreements with nonprofits not just for disaster relief, but also for preparedness and recovery activities and to amend the act to read “The President is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and “National VOAD” or disaster assistance organizations”

Recommend adding a new section on Volunteers:

“Authorizes the President to provide temporary housing for volunteers who are assisting with response and recovery efforts upon receiving a request from an affected State, as long as it is appropriate, cost-effective, and would not interfere with the provision of temporary housing to first responders or disaster survivors.”

This provision is intended to leverage temporary volunteer labor by students, church groups, and other affiliated volunteers who wouldn’t otherwise be able to assist due to inadequate supply of host homes. This authorizes states to request minimalist accommodations for volunteers (e.g. base camps with cots and tarps overhead) in order to accept their services, which will indirectly reduce federal repair and cleanup costs.

3. Alternative Fee Based option for Small Business Administration Loans
A large portion of a disaster survivors disaster assistance under a Presidentially Declared large portion of a disaster survivors disaster assistance under a Presidentially Declared Disaster stems from FEMA’s individuals and households program (IHP), coupled with the Small Business Administration (SBA) loan for qualified individuals. The SBA loan requires interest payments which is prohibitive for Muslims and Orthodox Jews. Muslim communities typically discards the SBA application as the interest bearing loan is not in accord with their religious tenant as they are strictly prohibited to pay or collect interest on a loan. They can pay for their money via a fee based instrument, but not on an interest bearing instrument. SBA states that the agency does not have the statutory authority to create a fee-based alternative, and such a change would require a statutory change.

Recommendation: Regulatory change authorizing SBA to create a fee based option for eligible individuals/households vs. interest based. SBA has non-disaster fee based products available for faith traditions that are prohibited from paying interest which could be used a model for a disaster loan alternative.

4. FEMA Disaster Assistance for Artisans and independent Contractor Small Businesses
The FEMA Other Needs Assistance (ONA) program vital to recovery for artists, and other self-employed individuals, including free lancers and independent contractors is inadequately

defined in FEMA policy and guidance and discriminates against this self-employed population. The majority of the nearly 10 million unincorporated self-employed workers identified by the U.S. Bureau of Labor statistics could be defined as “micro-businesses” with zero (86%) or very few employees (97% have zero to four employees), which includes nearly 2 million artists. Because of the nature of their livelihood, artists are 3.5 times more likely to be self-employed than other workers.

The tool replacement provision of the “Other Needs Assistance” (ONA) allowances by FEMA for “specialized tools or protective clothing and equipment required for your job” would enable artists to return to income producing activity, however, the provision as currently interpreted and applied by FEMA requires verification from a regular employer that the tools or equipment must be provided by the employee. Self-employed workers are denied this potentially career-saving assistance simply because they work for themselves.

It is essential to their recovery and the recovery of their communities, for artists and other self-employed workers to get back to work as quickly as possible after a disaster. The loss of necessary tools is a serious impediment to recovery of a significant number of self-employed workers and should be addressed by the proposed revision.

Recommendation: Clarification of current Other Needs Assistance Policy for specialized tools or protective clothing and equipment required for your job.

Clearly defined levels of assistance which are adequate to replace tools and equipment critical for earning a livelihood should be established, as well as criteria for FEMA to replace tools and equipment for self-employed artists. This would facilitate fair and timely evaluation in the field and minimize delays in providing assistance. Levels of assistance based on fair market values of verified losses for equipment, depending on severity of losses, should be established to enable most self-employed workers to resume gainful employment.

5. Disaster Case Management Programs (DCMP)
 - a. Implement conditions that allow FEMA more flexibility and options to deploy DCMPs based on the needs of the event, available competencies, and best use of public resources.
 - b. The HUD DHAP should be a housing assistance resource for DCMP clients and should not have an additional, separate, exclusionary case management component. We have been very pleased with exploratory discussions with HUD to identify efficiencies which also best create a continuity of recovery services for survivors.
6. National VOAD is a signatory to the National Disaster Response Framework and has been actively working with federal agencies on the development of the National Recovery Framework and its many annexes, where we are identified as a partner. But the National VOAD community and other nonprofit organizations cannot always be designated as filling the gaps identified as these plans are being developed. We need to be realistic about the sector’s capacity and capabilities, first ensuring if that sector has the necessary resources or mechanisms in place to fill such gaps.

- a. Public resources could be directed to ensure stated connections between public and private agencies are in place and tested. This could include providing technical assistance and hosting invitational stakeholder trainings and exercises.
 - b. The components of federal agency work plans associated with engaging the public sector could better achieve desired outcomes if developed with and known by the associated public sector stakeholders.
7. National VOAD recognizes there is still much to do to strengthen the preparedness competencies of our communities. We would like to build a consensus for Preparedness to be elevated to the stature of civic duty and recognized as a citizenship virtue.
 - a. With leadership from National VOAD members like the American Red Cross, we are exploring innovative joint NVOAD-FEMA initiatives centered on engaging youth to become preparedness champions, and establishing a national preparedness exercise.
 - b. We also recommend that preparedness information and other resources be included as a component of all Federally funded Disaster Recovery Programs. This is important so individuals and communities gain tools and knowledge to mitigate re-traumatization, re-victimization and to develop self-help and resiliency skills.
8. Throughout America, VOAD agencies have the ability to quickly mobilize volunteers and mass care resources often much sooner and more cost effectively than government. When these organizations respond, they are often asked by government to remain and continue fulfilling key functions, usually without sustainable resources. Creating a direct mechanism for FEMA to reimburse voluntary agencies when services are requested would be effective and efficient.

Chairman and Distinguished Members of the Committee, I would like to thank you again for your time, and welcome any questions or comments you may have.

Appendix A: “Strengthen and Unify Mass care Legal and Policy Foundations.”

Address gaps in FEMA authorities to improve delivery of mass care services that may require legislative action:

There currently are no authorized grant programs to provide grants, benefits, and incentives to affected states for:

1. Emergency human services, to minimize the financial impact on community service programs when disaster-caused needs exceed the capabilities of program funding and resources.
2. Workers’ Compensation benefits for volunteers providing disaster relief during declared disasters.
3. Incentives to build mass care capability and capacity. Incentive grants could be made available to local agencies and voluntary, community-based, and faith-based organizations through state or federal programs.

Assess how to establish a sliding cost share that incentivizes state and local governments to invest in mass care resources and planning. (Use the example of Stafford Act Section 322 (e) as a model).

The Stafford Act does not separate Public Assistance from Essential Assistance to provide separate funding authority for mass care programs, resources, and services, or to reimburse nongovernmental relief or disaster assistance organizations for expenses incurred in the provision of relief during a major disaster or emergency, where requested by the Federal Coordinating Officer or designee.

Assess gaps in other federal authorities that directly affect the provision of mass care services to meet Whole Community needs:

- Federal agencies currently cannot adjust their disaster assistance program benefits to align with host jurisdiction cost of living.
- The U.S. Department of Agriculture currently cannot adjust the Disaster Supplemental Nutrition Assistance Program allotment for temporarily displaced disaster survivors to match the rate in the host jurisdiction.
- The U.S. Department of Labor currently cannot adjust Disaster Unemployment Assistance benefits provided to temporarily relocated disaster survivors to match the rate in a host jurisdiction.
- Medicaid regulations currently lack portability between states for disaster-displaced populations.

- The Privacy Act and Health Insurance Portability and Accountability Act of 1996 (HIPAA) includes barriers that inhibit sharing client data among agencies for the purpose of providing disaster recovery support and medical care.
- Federal law currently is not optimally designed to minimize the liability exposure of nongovernmental, community-based, and faith-based organization staff and professionals who volunteer to support disaster response (counter-example: some states, such as California, have such laws in place that could serve as models).
- The Emergency Management Assistance Compact (EMAC) does not include an enforceable licensure/credentialing reciprocity to facilitate deployment of medical, veterinary, and other professionals (e.g., plumbers, electricians) between states during disaster responses. Although EMAC includes a provision for reciprocity, currently it is not honored by state regulatory agencies.

Assess gaps in existing federal doctrine, policies, and regulations that adversely impact national mass care capacity:

- Assess whether modification is needed for the Department of Homeland Security Grant Program (HSGP) Urban Areas Security Initiative (UASI) to require recipient jurisdictions to apply a percentage of grant funding to the development and implementation of mass care planning, programs, resources, and services.
- Assess whether modification is needed for the U.S. Department of Agriculture to adjust the Disaster Supplemental Nutrition Assistance Program allotment for temporarily displaced disaster survivors to match the rate in a host jurisdiction.
- Assess whether modification is needed for the Department of Health and Human Services to provide crisis counseling to disaster survivors temporarily relocated to host jurisdictions.
- Guidelines on the federal process for relocation and reunification of minors evacuated out-of state lack clarity.
- Review the federal grants program eligibility criteria to consider how to better address mass care planning and resource development in the state emergency operations plan.
- CFR 44 does not separate Public Assistance from Essential Assistance to provide separate funding authority for mass care programs, resources, and services.
- Establish a sliding cost share that incentivizes state and local governments to invest in mass care resources and planning.
- FEMA Disaster Assistance Policy 9443.2, Transitional Sheltering Assistance, does not provide flexibility in providing non-congregate sheltering to displaced disaster survivors.

- FEMA Policy does not allow for expanded use of donated temporary housing units to include the sheltering of disaster workers deployed to assist disaster survivors.
- FEMA Recovery Policy 9523.19, Eligible Cost Related to Pet Evacuation and Sheltering, allows for only a limited length of time during which pet sheltering expenses will be reimbursed to affected states. Existing timeframes limit household pet owner access to transitional sheltering or temporary housing, which puts increased stress on household pet owners in regard to the well-being of their pets.
- Disaster Assistance Policy 9525.2, Donated Resources, does not allow state eligibility, under the Public Assistance program, for donated hours for mass care services provided by organizations that have a mass care mission.
- The Department of Homeland Security Immigration and Customs Enforcement policy does not prevent the removal of undocumented individuals from congregate mass care facilities during the emergency phase of a disaster.
- FEMA mitigation grant policy does not allow expenditures for mass care project facility construction or retrofitting of facilities that will be used for congregate sheltering.

Standardize state law to enhance the sharing of mass care resources:

- Promote the adoption of National Incident Management System Resource Typing for Mass Care Services to facilitate the request and deployment of assets across state lines.
- Work with the National Emergency Management Association and the Association of Governors to establish standards for animal care/household pets during disasters, including policies on the length of time unclaimed animals may remain in emergency animal shelters.
- Modify state legislation to facilitate the safe evacuation, relocation, and reunification of unaccompanied minors across state lines during major disasters and emergencies. State legislation should establish a process and mechanism to address the safety of children, including the transition to the social services system, child custody requirements, medical consent requirements, and other evacuation and sheltering concerns.
- Establish uniform legislation for all states and territories to allow for the temporary licensing of credentialed medical, professional, and trade staff to work in affected and host states.