

**Statement for the
Senate Environmental Resources and Energy Committee
Senate Republican Policy Committee**

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PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY

Thomas Hughes, State Hazard Mitigation Officer

Chairwoman White, Chairman Yudichak, Chairman Erickson and Members of the Committees, I am Tom Hughes, the State Hazard Mitigation Officer for the Pennsylvania Emergency Management Agency (PEMA). Thank you for the opportunity to testify regarding the recent flooding from Hurricane Irene and Tropical Storm Lee and the issue of flood mitigation. With me today is John Forr, the Director of the Bureau of Recovery and Mitigation (BORM) for PEMA.

I serve as the State Hazard Mitigation Officer and it is my responsibility to oversee matters related to hazard mitigation. Mitigation is another way to say "relieve" or "alleviate." The general idea is to make a dangerous situation less risky. In emergency management, there are natural, man-made or technological/biological hazards. Hazard mitigation means reducing, eliminating, redirecting, or avoiding the effects of those potential hazards. All funds that PEMA has for hazard mitigation come from the federal government. PEMA administers five mitigation

grant programs for the Federal Emergency Management Agency (FEMA) under the umbrella of Hazard Mitigation Assistance: Hazard Mitigation Grant Program (HMGP), Flood Mitigation Assistance (FMA), Pre-Disaster Mitigation (PDM), Repetitive Flood Claims (RFC), and Severe Repetitive Loss (SRL). PEMA's state website describes the programs in detail. HMGP is the program that will have the largest impact on upcoming mitigation efforts since it is estimated the Commonwealth will receive about \$45 million in hazard mitigation funding as a result of the damages suffered from Hurricane Irene and Tropical Storm Lee.

The standard definition of hazard mitigation that is often used by FEMA: Any cost-effective action taken to eliminate or reduce the long-term risk to life and property from natural and technological hazards. The phrase "cost-effective" is added to this definition to stress the important practical idea that, to be beneficial, a mitigation measure should save money in the long run. If the cost of a mitigation project is less than the long-term costs of disaster recovery and repair for the project area, the mitigation is considered cost-effective. Nationwide, FEMA estimates that for every \$1 spent on mitigation, \$4 are saved.

Under federal law, the state must revise the Commonwealth's All-Hazard Mitigation Plan every 3 years. The plan was revised and was approved by FEMA in October 2010. In addition, under federal law, counties must have a County Hazard Mitigation Plan in effect to make the counties and municipalities eligible for FEMA

Disaster and Non-Disaster Hazard Mitigation Funds. The plan is good for 5 years and currently all but 3 counties (Lancaster, Northumberland and Philadelphia) in Pennsylvania have a County Hazard Mitigation Plan in effect. We are working with those 3 counties to get their plans finalized. Furthermore, a municipality must have adopted the County's Hazard Mitigation Plan to be eligible for FEMA Disaster and Non-Disaster funding.

In Pennsylvania, the most common hazard is flooding. Pennsylvania is the second most flood prone state in the country and has more miles of waterways than any state other than Alaska. The most common mitigation project is acquisition and demolition of flood-risk homes or "buyouts." Since 1996, about 1,400 homes and an estimated 3,500 people have been removed from dangerous flood areas through mitigation projects. Acquisition is considered the "best" mitigation practice because it eliminates the hazard of flooding in a risk area: no homes = no losses. Other mitigation projects in Pennsylvania include home elevations and small flood control projects, though these are fewer in number than acquisition projects. These types of mitigation activities are not as effective because homes and businesses remain in risk areas and can still be damaged in a flood.

I have attached to my statement a one page Fact Sheet for Hazard Mitigation for DR-4025 (Hurricane Irene) and DR-4030 (Tropical Storm Lee). The fact sheet outlines the HMGP. At this point, we estimate that Pennsylvania will receive about

\$45 million in HMGP funds from Hurricane Irene and Tropical Storm Lee. Based on the amount of homes damaged, we anticipate that PEMA will receive requests for 400-500 home buyouts from the storms. To date, PEMA has conducted 24 face-to-face hazard mitigation briefings in the 13 counties that were the most severely impacted by the storms. We also have done 4 hazard mitigation webinars for all counties and municipalities and 3 webinars (November 2nd and 3rd) for the General Assembly. This Friday, November 18, we are doing 3 more webinars: one for the Pennsylvania State Association of Boroughs, one for the Pennsylvania League of Cities & Municipalities, and one for the Pennsylvania State Association of Township Supervisors. Simply put – we are doing our very best to make sure everyone across the Commonwealth knows about the HMGP and the availability of mitigation funds.

For you to have an understanding about the buyout process, I will go through the basic steps and highlight important matters related to buyouts.

First, a person seeking a buyout goes to the municipality where the house is located and requests that the municipality apply for the buyout.

Second, the municipality then makes the decision on whether or not to apply for the buyout. Federal law requires that the municipality be the “applicant” for a buyout not the individual. If the municipality decides to pursue a buyout, it sends a Letter of Intent (LOI) to PEMA to start the process. The LOI is on the PEMA website under Hazard Mitigation Program section.

Third, PEMA will review the LOI to see if the project is eligible. If eligible, PEMA sends the municipality an application packet.

Fourth, the municipality completes the application and sends it back to PEMA.

For Hurricane Irene and Tropical Storm Lee, we are asking that municipalities submit a LOI by November 30 and complete its application by December 30 ("Round 1"). For municipalities that do not send in LOIs or complete applications to participate in Round 1, we are doing a "Round 2." For Round 2, municipalities must send in a LOI by December 15 and complete its application by February 22, 2012.

Fifth, the State Hazard Mitigation Team (made up of individuals from PEMA and a number of other state agencies) reviews the applications and ranks/prioritizes them.

Sixth, once an application is approved by the State Hazard Mitigation Team, PEMA then sends the application to FEMA.

Seventh, FEMA then notifies PEMA whether or not the application is approved. PEMA has 3 years to complete a buyout from the date FEMA makes the award. On average, it takes about 18 months for a buyout to be completed.

Other important matters regarding buyouts.

If the municipality makes an application, there are costs involved regarding a deed search, surveys, appraisal, and other such items. If the buyout is not approved, those costs are NOT reimbursed to the municipality. An application for a buyout does not automatically mean it will occur. FEMA will do a "**cost/benefit**" analysis to see if the property should be acquired under its program guidelines. In addition,

the amount of available funds (and the amount of approved applications) might cause the acquisition to be delayed until future funds are available. If approved, there is a cost share: FEMA will cover 75% and the nonfederal (state and/or local) share is 25%. Once the property is acquired, it is owned by the municipality. However, it will be "deed restricted" so that no structure can be put on the land in the future.

We at PEMA thank everyone involved -- in the preparation for, the response to, and the recovery from Hurricane Irene and Tropical Storm Lee -- for the tremendous effort and work that has been done to protect and help the citizens and communities that have been so adversely affected. Our first responders and rescue teams were heroes who went beyond the call of duty to save lives. Additionally, the cooperation and coordination among state, county, local, and federal entities truly has been remarkable. As we move forward with the flood recovery efforts, we assist municipalities in utilizing HMGP funds to get people out of harm's way from devastation that could occur from future flooding events.

Again, thank you for the opportunity to testify here today and I will try to answer any questions you might have.