

## *The Hill*

Overhauling the federal disaster-response bureaucracy

By Dr. Mitchell Moss

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We live in an era where manmade and natural catastrophes of unimaginable scale have become reality. Unfortunately in the United States, the Stafford Act — the law at the heart of the federal government's disaster response and recovery activities — is not designed to cope with a catastrophic disaster. Two years after Hurricane Katrina and six years after Sept. 11, it is time for Congress to amend the Stafford Act to account for catastrophic disasters before another tragedy strikes the United States.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act was passed in 1988 to give statutory authority for most federal disaster response activities and specifically those of FEMA. The Stafford Act authorizes disaster assistance to residents, businesses, and local governments, but it is geared toward the everyday disasters that strike the United States, such as tornadoes, wildfires, blizzards and floods. The Stafford Act does not distinguish between, for example, a blizzard that strikes Buffalo, and a hurricane the magnitude of Katrina. The result of this deficiency is plainly visible along the Gulf Coast. Despite billions spent on the reorganization of America's disaster preparedness and response capacities into the Department of Homeland Security, the immediate response after Hurricane Katrina was stymied for days by conflicting regulations. And there is no reason to believe the Stafford Act, which governs all of this, will be able to provide the tools for a better response when the next catastrophe occurs.

Simply put, it is time to reform the Stafford Act. The Act is riddled with shortcomings that undermine the federal government's ability to respond to catastrophes.

- The Act fails to account for 21st century threats. Under current regulations, federal assistance authorized by the Act will be capped at \$5 million even in the event of a chemical, biological, nuclear or radiological attack or accident.
- The Act limits loans to state and local governments designed to reimburse lost tax revenue to \$5 million, although New York City lost more than \$2.5 billion in tax revenue following Sept. 11.
- The Act only authorizes FEMA to pay the overtime of state and local employees. This approach works after most disasters, where local government pays for normal work and the federal government covers overtime. Following Katrina, however, the City of New Orleans could not afford to pay the regular salaries of its employees and was forced to layoff half of its workforce, just when the demands on the municipal government were most intense.
- The Act assumes that insurance will be the first line of payment to families and businesses, but catastrophes overwhelm the private insurance market. The insurance modeling firm ISO estimated that Louisiana suffered \$24.3 billion in insured losses, but nearly a year after the storm, records from the Louisiana Department of Insurance showed only half that amount — \$12.5 billion — had been paid out, leaving families and businesses struggling to make ends meet while

waiting for insurance and federal aid to arrive.

- The Act requires a damage assessment and written requests for specific resources before the federal government can swing into action. In the hours and days after Katrina, messages from overwhelmed first responders along the Gulf Coast for FEMA to “send everything” did not meet the specifications of the Stafford Act and could not be fulfilled.

These shortcomings within the Stafford Act reflect a political reluctance to thrust the federal government into disaster response and recovery — the opposite of what the Act is intended to do. For much of our nation’s history, disaster response was the domain of local government and charity. After the 1906 San Francisco earthquake, federal aid was directed through the Red Cross. In response to the devastating Mississippi River floods of 1927, President Coolidge defined the federal government’s role largely as mobilizing private charitable contributions to help those in need and stated that the duty of the federal government was simply, “To direct the sympathy of our people to the sad plight of thousands of their fellow citizens, and to urge that generous contributions be promptly forthcoming.”

Only the threat of attack from the Soviet Union overturned these sentiments and forced the federal government into disaster response with the Civil Defense Act of 1950. Subsequent decades saw further acts that expanded the authority of the federal government.

Today, the federal government occupies the center of disaster response and recovery. It is time for the Stafford Act to be amended to give the federal government the power and flexibility it needs to act following a catastrophe.

After Hurricane Katrina, Congress took a meaningful first step by passing the Post-Katrina Emergency Management Reform Act of 2006. This law assures that FEMA is headed by a disaster professional, and that Regional Strike Teams and a Surge Capacity Force are available to immediately respond to catastrophes. However, the Reform Act of 2006 left the key provisions of the Stafford Act untouched.

All too often, following tragedy, the federal government simply adds a new layer of regulation and bureaucracy without making systemic changes. The net result is that today, following a disaster, the president appoints a Federal Coordinating Officer (FCO) — a position created by the Disaster Relief Act of 1969 with the intention of streamlining federal relief efforts. The FCO reports to the Director of FEMA — an agency created by executive order in 1979 to streamline federal relief efforts. FEMA, in turn, was merged into the U.S. Department of Homeland Security — an agency created by Congress in 2002 to ensure disaster preparedness and provide response and recovery from terrorist attacks and natural disasters. None of these measures correct for the inadequate levels of support the Stafford Act provides for after a catastrophe, and do nothing to speed the bureaucracy.

Congress should not stop with the Post-Katrina Act of 2006, and should not wait for the next catastrophe to reform the Stafford Act. Given the complexity of our modern technological society, the threats we face today, and the sheer devastation generated by modern disasters, a comprehensive overhaul of the Stafford Act, one that provides the federal government the

authority and flexibility it needs to respond to catastrophic disasters, is long overdue.

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