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**STATEMENT FOR THE RECORD**

**On behalf of the  
State of North Carolina**

**Submitted to the House Homeland Security Committee  
Subcommittee on Emergency Preparedness, Response, and Recovery**

Understanding the Importance of DHS Preparedness Grants: Perspectives from the Field

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Good morning, Chairman Payne, Ranking Member King, and distinguished members of the Committee. Thank you for the opportunity to testify before you today.

I am honored to testify today on behalf of the State of North Carolina and the Department of Public Safety in my position as the Executive Director of the Division of Emergency Management and the Office of Recovery and Resiliency.

Unfortunately, our state is intimately familiar with a multitude of risks and hazards, spanning everything from major hurricanes and severe weather to critical infrastructure threats such as cyber disruption. We rely heavily on federal grant funding to help the federal government close the national preparedness gap and prepare for, respond to, recover from, and mitigate potential impacts to address many of the cascading effects from these hazards. Today, I want to discuss two specific programs within the larger Homeland Security Grant Program: first, the State Homeland Security Grant Program (SHSGP) and second, the Urban Area Security Initiative (UASI).

### **HOMELAND SECURITY GRANT PROGRAM (HSGP)**

As you are aware, the Homeland Security Grant Program originated after the September 11<sup>th</sup>, 2001 attacks in order to support the building, sustainment, and delivery of core capabilities in states, territories, urban areas, and local and tribal governments and to develop a more secure and resilient nation. This overarching program is comprised of three grant programs: the State Homeland Security Grant Program (SHSGP), the Urban Area Security Initiative (UASI), and the Operation Stonegarden Grant Program (OPSG), which addresses border security.

#### *State Homeland Security Grant Program*

Each state and territory is awarded a minimum allocation under this program for the purposes of strengthening core capabilities in prevention, protection, mitigation, and response to all hazards faced by a jurisdiction. In FY2019, the federal allocation for this program was a total of \$525 million and the recent federal appropriations bill increased the federal allocation to \$560 million for FY2020.

#### *Urban Area Security Initiative*

The Urban Area Security Initiative (UASI) is designed to enhance regional preparedness in major metropolitan areas, recognizing that these areas must address unique risks associated with large concentrations of residents and visitors and critical infrastructure. Eligibility for the UASI program is determined by an analysis of relative risk of terrorism faced by the 100 most populous metropolitan statistical areas (MSAs) in the United States. In appropriating for this program, Congress has expressed its intent that the Secretary for the Department of Homeland Security fund up to 85 percent of nationwide risk in the UASI program.

## NATIONAL AND STATE IMPACTS OF SHSGP AND UASI

These grant programs are critical to enhancing state and local preparedness for all-hazards events, to include acts of terrorism, and we remain committed to doing our part to support the federal government in ensuring nationwide preparedness. Despite this longstanding partnership, there has been a lack of information as to the return on investment of state, local, and federal spending on SHSGP and UASI. Understanding that this lack of information may have played a role in fluctuations in funding, in 2018 the National Homeland Security Consortium conducted a study to evaluate how much money has been invested by state and local governments on terrorism preparedness, how that spending has been affected by federal assistance, and what capabilities we as states and localities have now that we did not have in 2001. To collect this information, a survey was issued to all 50 states and to jurisdictions from 50 urban areas currently and formerly eligible for UASI funds. The goal of the survey was to determine how much money has been invested by state and local governments.

A key finding from the 2018 survey is that for every SHSGP and UASI grant dollar invested, the median return was \$1.70 for responding state emergency management and homeland security agencies; for local emergency management and homeland security agencies, it was \$0.92. Furthermore, return on investment generally increased when considering other jurisdictional agencies involved with, but not responsible for preparedness activities. In reviewing the survey results, the Consortium also concluded that these grant programs provided support to 251 state exercises and 123 UASI jurisdiction exercises in 2017. Lack of coordination among first responder agencies was one of the challenges identified in the *9/11 Commission Report*, further underscoring that these grant programs are a key pillar of support for enhanced preparedness nationwide.

North Carolina can attest to the impact these federal preparedness grants have on catalyzing and substantiating our advancements in terrorism preparedness. This funding is utilized to develop local and state capacity for everything from incident management team personnel to specialized search and rescue and hazardous materials teams. Preparedness grant funding is routinely used for incident response technologies to enhance our fusion center integration and cybersecurity team capabilities. Active shooter and cybersecurity exercises, funded by these grants, are also held annually throughout the state in many jurisdictions.

As a follow-up to the 2018 report, North Carolina's All Hazards Technical Search and Rescue (SAR) Program was selected as a case study to provide additional insight into national preparedness capabilities. Funds from SHSGP grants have served as a catalyst for building the program and providing the impetus for state and local governments to contribute additional support to ensure this specialized response program was fully funded. SAR Task Forces in this program have been used regularly in disasters, rescuing 2,246 individuals by boat and 79 individuals by air during Hurricane Matthew and 5,214 personnel and 1,067 animals rescued during Hurricane Florence. Knowing we accomplish nothing alone, these teams have also been routinely deployed nationwide to support search and rescue efforts in other states.

To provide some perspective on the changes and reductions in program support, in 2009, the State of North Carolina received approximately \$20 million in State Homeland Security Grant Program funds, \$5 million of which was for the Urban Area Security Initiative. In 2019, we received \$5.7 million and our UASI jurisdiction of Charlotte, NC was not funded.

Due to this reduction, we have not been able to fund significant new initiatives to improve our preparedness. Meanwhile, the threats and risks have evolved and have significantly reduced the funding to maintain existing capabilities. For a state with a rapidly growing population, an increase of critical infrastructure, and associated increases in threats and risks, this funding reduction has negatively impacted our ability to protect our state and to contribute to the larger national preparedness.

I would like to state for the record that the removal of Charlotte from the list of funded UASI jurisdictions is problematic. As the State's most populous jurisdiction with a large presence of critical infrastructure, to include one of the largest concentrations of financial institutions nationwide, the lack of funding to support the jurisdiction has put our state at risk. Their ability to maintain response capability has been detrimentally impacted, as well as their ability to implement new programs, such as a robust cybersecurity initiative, to adequately protect their residents, visitors and infrastructure. Of particular concern is that with the loss of their UASI funding, Charlotte will be unable to fund planned purchases of anti-terrorism equipment for law enforcement, bomb squad equipment and communications equipment. Additionally, planned exercises will be unable to be funded. With major mass gatherings and public events occurring almost weekly in the jurisdiction and with the 2020 Republican National Convention scheduled for August, the ability to respond to known threats and hazards has been diminished, not to mention the ability to proactively address emerging threats.

States have long-known the impact of the preparedness grant programs on their capabilities to develop and sustain a more secure and resilient nation, but as time has passed and federal priorities have shifted since 2001, these grant programs have struggled. While states and localities have made significant efforts to fund terrorism prevention in this new funding era, merely sustaining those already built capabilities have slowed or stopped many jurisdictions from progress toward the National Preparedness Goal. As such, many states are already sacrificing capability, foreshadowing even more severe consequences if program funds are cut in the future.

Managing response and recoveries to natural hazards is one area of success in the state-federal grant relationship. In North Carolina as well as the entire nation, the federal Emergency Management Performance Grant (EMPG) is a foundational component of emergency management funding at both the local and state level, and essential to the sustainment of our response and recovery capabilities. EMPG gives state and local emergency managers great flexibility in managing funds and priorities. As such, according to a joint report by the National Emergency Management Association and International Association of Emergency Managers, capabilities built and sustained with EMPG, including the dollar-for-dollar match, allowed grantees to manage 23,331 events in FY18 without additional federal assistance or expenditures. We greatly appreciate Congress' demonstration of support in this program with the \$5 million increase for FY20, and both associations are committed to continuing to demonstrate to you the return on this investment.

## **ONGOING RECOVERY IN NORTH CAROLINA**

The last four years have been challenging for North Carolina. In addition to the multitude of other events that have impacted the state since 2016, the residents of our State have sustained significant damage and disruption from four major tropical weather systems: Hurricane Matthew (2016), Hurricane Florence (2018), Tropical Storm Michael (2018) and Hurricane Dorian (2019).

Damage from Hurricane Florence, now our storm of record, alone totaled more than the cost we experienced during Hurricane Matthew and Hurricane Floyd combined. We were the only state where Hurricane Dorian made landfall this past year. While North Carolina is known for impact from hurricanes, in the past few years we have also received major disaster declarations for tornados and severe storms, as well as two federal fire management assistance declarations. As a state which experiences a broad spectrum of natural and man-made hazards that occur nationally, we are attuned to the needs of our residents in disaster recovery and focused on a more resilient path forward.

To lead the state's efforts to rebuild smarter and stronger in the wake of Hurricane Florence, Governor Cooper established the North Carolina Office of Recovery and Resiliency (NCORR). The office provides disaster recovery coordination with services including oversight of recovery funding, processing of program applications, construction and vendor management, and public outreach and education, among many other responsibilities. With NCORR now up and running for a single year, North Carolina is on the road to a stronger recovery with a team of state, federal and volunteer partners dedicated to helping communities rebuild to be more resilient and better prepared to weather future events.

NCORR oversees the Community Development Block Grant for Disaster Recovery (CDBG-DR) program for the state, managing the disbursement of funds that will total close to \$1 billion when the next allocation of funding for Hurricane Florence is disbursed. It should be noted, that to date, we have not received funds for Hurricane Florence which occurred in 2018. In keeping with the CDBG-DR mandate to prioritize the recovery spending in low-income areas, our Housing Recovery Programs tackle the statewide shortage of affordable housing in coordination with partners at the state and local levels. We are seeking to instill resiliency in all of our recovery projects, which enhances coordination across all of our emergency management efforts, including our recovery support functions and the statewide disaster recovery task force. To that end, the Governor has appointed a State Chief Resiliency Officer with two deputies to guide our resiliency efforts.

## **CHALLENGES & RECOMMENDATIONS**

To better support the states in addressing preparedness, response, recovery, and mitigation effectively, we would offer the following recommendations:

1. **All-Hazards Grants Approach:** To acknowledge the way states are now organized to address the evolving threat dynamic, implement a true all-hazards approach for grant programs beyond a narrow terrorism focus as threats and hazards evolve in order to allow states to address their known needs;

2. **Grant Flexibility:** Flexibility in state allocation of grant funding, particularly in recovery funds after disasters, to address known strategic needs and not a “one size fits all” approach across disasters and states;
3. **Common Application for Disaster Survivor Recovery Programs:** Implementation of a common application for disaster survivors that can be used across all federal disaster recovery programs to aid in speeding the award of vital funding and support to survivors; and
4. **Faster Disaster Funding Allocation:** Increased speed of disaster funding allocation, specifically with CDBG-DR.
5. **Well-Defined Risk Assessment Metrics:** Development of well-defined, defensible metrics to determine the risk and threat to Metropolitan Statistical Areas and a process that is transparent and conducted in partnership with the states.

## CONCLUSION

On behalf of the State of North Carolina, thank you again for holding this hearing and drawing attention to the needs of the emergency management and homeland security community working to enhance preparedness for terrorism and other threats to communities. We are acutely aware that the wide variety of threats and vulnerabilities faced by states and major urban areas continue to evolve, and if we do not evolve with them, we risk falling behind. As you consider the topics of this hearing, please remember that while the federal preparedness programs can always be improved, they do continue to make real differences in our nation’s capacity to defend against terrorist threats.