



State and Local Perspectives on  
DHS Preparedness Grant Programs

Testimony of Governor David Ige of Hawai'i  
On Behalf of  
The National Governors Association

Before the

United States House of Representatives  
Homeland Security Committee  
Subcommittee on Emergency Preparedness, Response  
& Recovery

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Good Morning,

Thank you, Chairwoman Demings and Ranking Member Cammack, for holding this hearing and inviting me to speak today.

I am here representing the National Governors Association (NGA), the bipartisan voice of the nation's governors, comprising the 55 states, territories and commonwealths. Through NGA, Governors and their policy advisors share best practices, speak with an informed voice on national policy and develop innovative solutions that improve citizens' lives through state government and support the principles of federalism.

Where appropriate, I will also provide my perspective as Governor of Hawai'i. My state has a diverse perspective on preparedness and disasters learned from events such as earthquakes to volcanic eruptions to unique challenges from COVID-19 as an island state.

We as a state have had to learn to manage the response and recovery process concurrently as we continue to manage the recovery from the Kilauea eruption and the response to the COVID-19 pandemic which has left us with one of the highest unemployment rates in the nation.

There is a lot to discuss with regards to the Department of Homeland Security but in my testimony today I will highlight key themes and considerations in four main areas:

- Cybersecurity
- FEMA Programs to include grants and regulations
- Preventing targeted violence
- COVID-19 challenges and lessons learned

## ***Cybersecurity***

First, I would like to discuss a few areas within cybersecurity that Governors and our policy advisors have raised as concerns and opportunities for state, territorial and federal governments.

### *Federal Roles, Responsibilities and Capabilities*

As former co-chair of the presidentially-appointed Council of Governors, a bipartisan group of Governors that work with the Administration on key national security issues, I worked with my peers and federal partners from the Department of Homeland Security (DHS), the Department of Defense (DOD) and the White House on several cyber initiatives over the past two years.

One area that needs continued work is addressing the complexity of authorities related to cybersecurity, specifically in dealing with critical infrastructure and the resources available to a state or territory during a cyber event.

Specifically, Governors asked DHS and DOD to better define the roles and responsibilities at the federal level related to cybersecurity response efforts. Governors need a more detailed and up to date summary—beyond the 2016 National Cyber Incident Response Plan noted as a resource by our federal partners. This also should include an overview of what the whole-of-government cyber response plan in the case of a catastrophic cyber event looks like.

We believe this will afford states and territories a better idea of what resources are available to us in the event of a cyber incident as well as help to develop a process to request and receive assets where appropriate. A better understanding of the federal roles and responsibilities will also help state, territorial and the federal government with better and timely information sharing.

And finally, over the past year and a half, the Hawaii National Guard, along with Ohio and Washington, participated in a Cyber Mission Assurance Team (CMAT)



pilot program. The 10-person CMAT performed comprehensive mission/risk analysis, vulnerability assessments, and facilitated information sharing. The proof of concept is being reviewed by the National Guard Bureau; however, I believe that CMAT or a similar capability should be provided in each of the states, territories and commonwealths. I believe this capability will augment DHS cyber capabilities throughout the nation.

### *Dedicated Funding*

For several years, NGA has called on Congress to strengthen the nation's cybersecurity posture through the creation of a dedicated state, territorial and local cybersecurity grant program.

We believe that a fully funded and dedicated cybersecurity program can help states, territories and localities develop and implement innovative and effective cybersecurity practices to include remote work; help to build resources and capabilities; better identify, protect against and detect cyber threats; and help to enhance partnerships among different levels of government, including local partners.

Cybersecurity is the number one growing threat to the Nation's critical infrastructure. This is especially concerning for the State of Hawaii as the largest combatant command with all its service components reside in the Island of Oahu. A cyber-attack could against Hawaii's critical infrastructure could impact USINDOPACOM's mission assurance.

Over the past two years, both the Trump and Biden Administrations have tried to better prioritize cybersecurity investment via carve outs in FEMA grant programs. We appreciate and share DHS's renewed focus on cybersecurity to include resiliency, workforce development, modernized systems and collaboration. But, to accomplish this fully, Governors believe that carve outs can only go so far; dedicated funds that incentivize economies of scale are needed to be most effective.

COVID-19, along with several high-profile cyber intrusions, such as SolarWinds, Microsoft Exchange and the 2015 Office of Personnel Management (OPM) data breach, revealed that the nation needs to address cybersecurity and IT infrastructure resilience comprehensively.

Reliance on state, territorial and local networks during the pandemic has increased the risk of vulnerabilities and gaps. This surge on our information technology infrastructure—to include administering large and diverse federal funds across state, territorial and local governments—requires additional investment in both funding and manpower to keep up with the massive usage.

Cybersecurity, and ensuring the availability and reliability of IT infrastructure, is a critical component of our infrastructure. Therefore, Congress must recognize that cybersecurity is an important piece of any national infrastructure plan or infrastructure legislative package.

### ***FEMA Programs – Grants and Regulations***

With the constantly evolving landscape of manmade disasters and increased occurrences of catastrophic natural disasters, Governors must maintain and continually update strategies to prevent, prepare for, respond to and recover from emergencies.

Leveraging resources, strengthening coordination and improving information sharing between federal, state, territorial and local authorities remain critical to addressing challenges and meeting the homeland security and public safety needs of our states, territories and the nation. Federal partnership through the Department of Homeland Security and the Federal Emergency Management Agency (FEMA) are critical to these efforts.

Much of our ability to do this comes through FEMA grant funding, which we leverage to develop and sustain critical capabilities such as intelligence, fusion

centers, statewide interoperable emergency communications, specialized regional response teams, threat assessments and cybersecurity initiatives.

However, Governors remain concerned that current funding levels for these programs are not sufficient and make it difficult to sustain core capabilities, invest in innovative approaches, and ensure flexibility to adjust to emerging threats. States and territories have continued to respond efficiently to disasters; however, states and territories cannot maintain the status quo indefinitely, and COVID-19 has highlighted the gaps that exist when facing prolonged and concurrent crises. Territories are further limited in their response to both COVID-19 and new emergencies due to their unequal treatment under federal programs, the fragility of their health care infrastructure, and having been impacted by severe natural disasters in recent years.

COVID-19 related strain has demonstrated many areas of under investment in Hawai'i's IT infrastructure, from our unemployment insurance system, which was quickly overwhelmed and vulnerable to fraud, to broadband access in rural areas as the Department of Education tried to continue to care for our students through remote learning.

Ongoing, dedicated federal support is crucial to ensure states, territories and localities have sufficient capacity to handle more routine disasters as well as scale for catastrophic events. Governors believe federal funding provided to states and territories should focus on developing or enhancing common core capabilities and support efforts to measure the effectiveness of grant funds in building and maintaining preparedness and response capabilities.

### National Priorities

As you know, last year the Trump Administration undertook efforts to reprioritize investments in homeland security through the establishment of National Priorities for FEMA's preparedness grants. This was done by prescribing where 20 percent of the funding must go.

While we agreed with the focus on the core priorities defined by the DHS, Governors and our homeland security and emergency management advisors have concerns that continued carve outs hurt overall efforts. NGA and our coalition partners noted to the Trump Administration two key issues for consideration:

- A delay of one year to account for the ongoing COVID-19 pandemic and to allow states, territories and localities the ability to focus on this mission rather than rethinking their grant applications, and
- Work with stakeholders across all levels of government to adequately prepare for and implement new changes in advance of formal notices of funding opportunities.

However, the Administration moved forward with the new requirements.

This year, the Biden Administration increased the minimum amount each state must spend on specific interest areas from 20 to 30 percent of the total grant award.

As you know, threats and challenges are only growing across the country. There are only so many ways you can divvy up funding before there is little left to use for innovative and new approaches. In some instances, smaller jurisdictions may go with less effective methods to avoid being questioned on their spending. Furthermore, by prescribing amounts to be spent on specific activities, previous investments for the same efforts could result in duplicative spending and detract from other efforts and priorities underway in the state or territory.

We can all agree that our investments should be tailored to threats and needs, but not at the expense of other programs or investments already made.

It is critical for the Department to provide timely guidance and transparency in the decision-making process. We are pleased to see that the DHS Secretary

Mayorkas has identified grant programs as an area for engagement next year, and Governors look forward to working with the Department in these efforts.

As Chief Executive Officers of our states, ensuring the safety and security of citizens is one of the paramount duties and these federal funding streams are a critical component of achieving that end. We encourage Congress and the Administration to work with us on any reforms.

### Public Assistance Regulations

I also wanted to note to the Committee concerns NGA and our partners raised with FEMA's proposed rule titled "Cost of Assistance Estimates in the Disaster Declaration Process for the Public Assistance Program."

While we understand the need for FEMA to periodically review disaster policy, we believe the time and manner in which these changes have been proposed will unduly burden state, territorial and local governments as they continue responding to and recovering from disasters, both COVID and non-COVID related.

In a coalition letter to FEMA, we noted our concerns with the proposed rule. We believe that raising the threshold for Public Assistance (PA) will inadvertently reduce mitigation and resilience funding and other federal programs. Furthermore, we believe that utilizing the Total Taxable Resources (TTR) metric is inherently inequitable as it does not reflect the reality of a state's ability to tax those actual resources.

Our letter provided several recommendations for FEMA to consider, to include:

- Limiting adverse impacts to states, territories and localities by using a phased-in approach over a long period of time when considering an adjustment to the per capita indicator.
- Creating a standardized method for weighing localized impacts and ensure states and territories have insight as to how FEMA applies their evaluation and recommendation to the President and



- Reevaluating the size and scope of FEMA's response.

We encourage Congress to also consider our concerns should this proposed rule continue to move forward.

### ***Preventing Targeted Violence (PTV)***

Combatting the rise in violent, domestic extremism and preventing acts of targeted violence are among the most serious issues each state and territory grapples with every day. I would like to briefly note the work of the National Governors Association's Center for Best Practices (NGA Center) in this space.

In 2017, the NGA Center received a two-year grant from the Department of Homeland Security's Office of Targeted Violence and Terrorism Prevention to support states', territories' and commonwealths' efforts to explore and develop multidisciplinary strategies to prevent targeted violence. NGA worked with five states during a policy academy that helped develop state-wide preventing targeted violence (PTV) strategies and action plans.

In continuation of its efforts to assist states and territories in developing prevention strategies, in January of this past year, the NGA Center released the *Governors' Roadmap to Preventing Targeted Violence*, which distills the latest research and draws from elements of public-health interventions to provide guidance to Governors, state, territorial and local leaders, and other stakeholders on how to prevent ideologically inspired violence.

As Governors, this roadmap helps provides us with some best practices – such as leveraging our role as convener, executive, and administrator at key points in implementing targeted violence prevention, including strategy setting, program design, and securing community support.

As Governor of Hawai'i, I am dedicated to creating a safe state where everyone can thrive. Our remote geographic location makes it an imperative that we

identify and mitigate threats early and prior to an incident. This requires a whole of community layered and multidisciplinary approach.

One of our innovations has been the formation of threat assessment teams, multidisciplinary teams that focus on specific aspects of targeted violence. The flagship team, Threat Team O'ahu (TTO), an island-specific threat assessment team, has been highly effective in bringing together stakeholders and we are currently working to replicate its success with state-wide discipline-specific threat assessment teams.

We have already leveraged the lessons learned from TTO to create a multidisciplinary team focused on education, Threat Team EDU, aimed at preventing acts of targeted violence in throughout the state's educational institutions.

We are excited to continue to work with the NGA Center to improve and expand our programs and continue building statewide discipline-specific threat assessment teams in the hopes of promoting increased information sharing and stronger situational awareness. Specifically, in collaboration with the NGA Center, Hawai'i plans to establish as threat assessment team focused on healthcare infrastructure.

Given the events over the past year, we know there is no one size fits all solution. But the work done by the NGA Center is a great starting point and resource for decision makers at the state, territorial and federal levels.

### **COVID-19**

I would like to conclude with observations and lessons learned from the COVID-19 experience. Governors continue to be on the frontlines of the pandemic, and therefore we face a myriad of challenges from health preparedness to state and territory stabilization, but for today's hearing I will focus on areas within FEMA and DHS.

*Public Assistance Eligibility and Cost Share*

During COVID-19, two key issues arose for Governors – eligibility under public assistance and the state-federal cost share requirements.

Early on, recognizing the unique and widespread impact of COVID-19 across the nation, Governors made numerous requests to the Trump Administration to authorize the increase of 100 percent federal cost share for Major Disaster Declarations under FEMA. Unfortunately, this call went unanswered throughout 2020.

Along with the need for financial assistance, state and territories saw challenges with FEMA’s Public Assistance guidance.

At the start, state and territories were getting inconsistent messaging across FEMA regions on what items were eligible for reimbursement. Some states had invested in funding for masks and disinfectants for schools, while other sought assistance with increased cost in operating 24 hour, seven days a week emergency operations centers. This was compounded by challenges in locating and procuring PPE and health supplies due to a global supply shortage. Territories, as well as my own state, are especially vulnerable during disruptions in maritime commerce and supply chains due to their geographic location.

In August of last year, as rumors of forthcoming restrictive FEMA guidance began to circulate, NGA along with seven of our partner state and local associations, called on FEMA not to limit the eligibility under Public Assistance and avoid any arbitrary distinctions between “response” and “reopening.” Unfortunately, the Trump Administration chose a more restrictive policy, which caused greater confusion, frustration and concern among state, territories and localities.

Reasons such as these are why NGA and other associations supported H.R. 8266, the FEMA Assistance Relief Act last year, which would have adjusted the FEMA

cost share as well as clarify and codify eligibility requirements for COVID-19 Major Disasters.

FEMA's reimbursement process for disaster recovery is designed around rebuilding after widespread physical damage from a natural disaster, such as a hurricane. It is important to recognize that for COVID-19, states and territories are responding to an ongoing and evolving public health crisis. That is why federal funding, specifically FEMA funding, needs to be immediate, accessible and flexible enough to address emerging needs for critical materials. Changing policy guidance makes it difficult to effectively plan and execute programs while ensuring good stewardship of taxpayer funding.

Governors truly appreciate the Biden Administration's willingness to address our calls for 100 percent federal cost share early on, taking action on January 21st of this year to provide that support for emergency protective measures and the use of the National Guard dating back to the start of the pandemic, as well as expanding some public assistance eligibility.

However, several changes to policy guidance from FEMA since the start of the pandemic means that states and territories will have three different eligibility requirements based on arbitrary dates. These three eligibility windows will pose challenges to verifying duplication of benefits, untangling obligated funds, and will strain personnel at the state, territorial and federal level.

NGA calls for the simplification of the eligibility requirements from the start of the pandemic to ensure efficiency and simplicity and to ease the back-end paperwork and auditing process.

My state ran afoul of the changing guidance around purchases to support a safe environment in our public schools. This is compounded by the fact that as a smaller state we were forced to increase our order sizes to compete with states that had higher demand. This is now leading to issues as we work to manage the excess inventory.

National Guard

And finally, Governors would also like to recognize the work and service of our National Guard over the past year and a half, not just during the pandemic but in response to a variety of domestic and overseas missions.

Specifically, to COVID-19, since the beginning of the pandemic, Governors called for the use of the National Guard, and the authorization of Title 32, which was granted and extended several times.

It is important for the Committee and Congress to recognize that the lack of a formal process or guidance led to significant confusion and delays, especially at the start of the pandemic.

Even more concerning was the requirement that states and territories fund 25 percent of the cost associated with a *federal duty status*. Never have states and territories been required to fund a *federal duty status*, let alone during such an unprecedented pandemic and economic struggle.

As noted earlier, we appreciate President Biden retroactively authorizing Title 32 at 100 percent federal funding for the use of our National Guard, and the extension of this authority through September of this year.

During a crisis, Governors should be able to rely on the federal government to provide clear guidance and requirements; a well-understood and transparent process; and resources, all in a timely and realistic manner. This guidance should be consistent and applied in a transparent and equitable fashion.

This is why NGA has called for a review and a legislative solution for the use of Title 32 for large-scale disasters and pandemics. How Title 32 was utilized during COVID-19 also highlights challenges with the FEMA mission assignment process and utilization of the Disaster Relief Funds. This process should be reviewed by



the Committee to ensure a better coordinated, streamlined, rapid and responsive system at the federal level.

***Conclusion***

Again, I would like to thank the Committee for inviting NGA to testify today on these critical issues. Governors across the country, and our staff, stand ready to work with you and members of Congress as you look to address challenges in the homeland security and disaster response arena, be it review of the Stafford Act or FEMA grant programs.

Thank you, and I look forward to your questions.