

STATEMENT  
OF  
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U.S. DEPARTMENT OF HOMELAND SECURITY

BEFORE  
THE  
COMMITTEE ON APPROPRIATIONS  
Subcommittee on Homeland Security  
U.S. SENATE  
WASHINGTON, D.C.

**“INSURING OUR FUTURE: BUILDING A FLOOD INSURANCE PROGRAM WE CAN  
LIVE WITH, GROW WITH AND PROSPER WITH”**

Submitted  
By

Federal Emergency Management Agency  
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## **Introduction**

Good afternoon Chairwoman Landrieu, Ranking Member Coats and Members of the Subcommittee, I am Craig Fugate, Administrator at the Department of Homeland Security's (DHS) Federal Emergency Management Agency (FEMA). Thank you for the opportunity to be here today to discuss our implementation of the Homeowner Flood Insurance Affordability Act of 2014 (HFIAA).

## **Historical Background and NFIP Benefits**

Flooding has been, and continues to be, a serious risk in the United States. Most insurance companies exclude flood damage from homeowners insurance because of adverse selection – only those most susceptible to flooding will purchase coverage. To address this need, Congress established the National Flood Insurance Program (NFIP) enacted in 1968 to make flood insurance available, identify flood risks and encourage sound local flood risk management. The NFIP is administered by FEMA.

The National Flood Insurance Program (NFIP) serves as the foundation for national efforts to reduce the loss of life and property from flood. The program identifies areas with risk of flood, mitigates the long-term risks to people and property from the effects of flooding, and makes insurance against the risk of flood generally available in participating communities. More than 5.4 million people across the nation have NFIP coverage.

The NFIP was, by statute and design, not intended to be actuarially sound. Specifically, 20 percent of policyholders, including many of the NFIP's highest risk structures, paid premiums that were less than actuarially rated and the government was subsidizing on average 60 percent of the loss. The NFIP was broadened and modified with the passage of the Flood Disaster Protection Act of 1973 and other legislative measures. It was further modified by the National Flood Insurance Reform Act of 1994, and the Flood Insurance Reform Act of 2004. The most recent reforms have come after numerous short-term reauthorizations and lapses in Program authority over the past several years. The debt resulting from Hurricanes Katrina and Sandy, the two costliest storms in NFIP history, illustrate the financial challenges for the NFIP. The total NFIP debt is currently \$24 billion, with \$17.5 billion from Hurricane Katrina and \$6.25 billion from Hurricane Sandy.

Significant concentrated losses in high policy coverage areas could set the program up for future losses beyond the authorized borrowing authority. In addition, the financial challenges are heightened due to subsidies established to encourage older structures to participate in the Program and make premiums affordable for these policyholders in high risk areas.

Congress and the Administration determined that further reforms were needed to make sure the NFIP was financially sustainable. To execute these reforms, Congress passed and President Obama signed into law the Biggert-Waters Reform Act of 2012 (Biggert-Waters). The law

required major changes to components of the program. Many of the changes were designed to strengthen the fiscal soundness of the NFIP by ensuring that flood insurance rates more accurately reflect the real risk of flooding. FEMA began phasing in the rate increases for certain subsidized properties in 2013.

On March 21, 2014, Congress passed and President Obama signed HFIAA into law, repealing and modifying certain provisions of Biggert-Waters and making additional program changes to other aspects of the program not covered by that Act. Many provisions of Biggert-Waters remain and are still being implemented. Like Biggert-Waters, HFIAA requires changes to the major components of the NFIP, including flood insurance, flood hazard mapping, grants and floodplain management.

### **Key Implementation Priorities**

Changes under HFIAA are being phased in over time. FEMA has already implemented its highest priority from the Act: to stop the largest of the Biggert-Waters premium increases by restoring eligibility for subsidized premiums for certain policyholders. FEMA has also provided detailed guidance for the Write Your Own (WYO) insurance companies to begin issuing refunds to eligible policyholders. The WYO companies will begin issuing refunds on October 1, 2014.

Key priorities for implementation include:

- Refunds, Rates, and Surcharges;
- Mapping;
- Promoting Mitigation; and
- Flood Insurance Advocate.

We are working to implement these provisions, as well as actively analyzing and prioritizing implementation of HFIAA. At this point, we are ahead of the timelines set by Congress for refunds.

FEMA senior leadership have traveled in many of the states with high concentrations of insurance policies and subsidies, and listened to the impacts of the new laws. Notably, we have travelled to Louisiana, Alabama, Mississippi, New Jersey, and New York to specifically discuss the impact of flood insurance reform legislation.

### **Refunds, Rates, and Surcharges**

#### ***Bulletins***

Immediately after the passage of HFIAA, FEMA began consultations with the Write Your Own (WYO) insurance companies to accelerate the timetable for reinstating certain subsidized rates and ensuring refund guidance was released to enable faster refunds to eligible policyholders. FEMA held numerous consultation calls with the companies and multiple in-person meetings to

develop the guidance. These consultation calls are continuing as we move forward to get refunds out in coordination with the WYO companies ahead of the timeline in HFIAA. The NFIP is providing bulletins to its WYO company partners that outline what changes these partners need to make to their programs as a result of HFIAA.

The first bulletin, released on April 15, 2014, advised partners on how to adjust rates for certain subsidized, Pre-Flood Insurance Rate Map (FIRM) properties as described by section three of HFIAA. Releasing this guidance was a major priority for FEMA given that it impacted a large number of policyholders. Pre-FIRM properties are properties typically built before detailed flood maps were developed with a community. The bulletin reinstated subsidies for new buyers of certain properties and for property not insured when Biggert-Waters was enacted, thus reopening the real estate markets in communities where Biggert-Waters impacted real estate sales.

This bulletin detailed steps that WYO companies needed to take to stop rate increases and directed these partners to use the October 1, 2013 Pre-FIRM subsidized rates (when more favorable for properties covered by Section 3 of HFIAA) beginning on May 1, 2014 for all new applications for flood insurance and for the renewal of flood insurance policies for properties covered by Section 3. The use of the 2013 rates was necessary in the short term while FEMA developed new rate tables and guidance to process and issue refunds for policyholders covered by Section 3 who were charged full-risk premiums under Biggert-Waters or were charged rates in excess of the increase in premium caps in section 5 of HFIAA. FEMA released this bulletin ahead of schedule, making the processing of refunds smoother and positively impacting approximately one million policyholders. By applying the pre Biggert-Waters rate table, the amount and size of refunds was substantially reduced and also at least half of the renewals were not getting the full risk rate phase in. Since the release of the first bulletin, FEMA has issued two major bulletins issuing new rate takes and instructions to WYO companies on refund procedures.

### ***Premium Rates for Subsidized Policies***

HFIAA requires gradual rate increases to properties now receiving artificially low (or subsidized) rates instead of immediate increases to full-risk rates required in certain cases under Biggert-Waters. These rates were developed and released for use on policies effective on October 1 2014.

Under HFIAA, FEMA is required to increase premiums for subsidized properties by no less than 5 to 15 percent annually, until the class premium reaches its full-risk rate – but by no more than 18 percent individually. It is important to note that close to 80 percent of NFIP policyholders paid a full-risk rate prior to either Biggert-Waters or HFIAA, and are minimally impacted by either law. With limited exceptions, flood insurance premiums for individual policyholders cannot increase more than 18 percent annually.

There are some exceptions to these general rules and limitations. The most important of these exceptions is that policies for the following properties will continue to see up to a 25 percent annual increase as required by Biggert-Waters until they reach their full-risk rate:

- Older business properties insured with subsidized rates;
- Older non-primary residences insured with subsidized rates;
- Severe Repetitive Loss Properties insured with subsidized rates; and
- Buildings that have been substantially damaged or improved built before the local adoption of a Flood Insurance Rate Map (known as Pre-FIRM properties).

To enable new purchasers of property to retain Pre-FIRM rates while FEMA is developing its guidelines, a new purchaser will be allowed to assume the prior owner's flood insurance policy and retain the same rates until the guidance is finalized. Also, lapsed policies receiving Pre-FIRM subsidized rates may be reinstated with Pre-FIRM subsidized rates pending FEMA's implementation of the rate increases required by the HFIAA.

On May 29, 2014, FEMA released a second bulletin that established new flood insurance rates consistent with the new cap on rate increases mandated by HFIAA. Those rates will be effective October 1, 2014.

### ***Refunds***

On June 26, 2014, FEMA issued a Bulletin to our WYO insurance partners on how to process refunds for qualified policy holders. The Bulletin provides information on who qualifies for a refund, how the refund will be calculated, and provides a timeframe for completing the refunds.

We are asking companies to complete their work on refunds by December 31, 2014 provided we do not have another large flooding claims event in the meantime.

For certain flood insurance policies affected by the Pre-FIRM subsidy elimination required by Biggert-Waters, HFIAA mandates refunds of the excess premiums that those policyholders were charged. Refunds may also be due to policyholders whose rates increased more than permissible under the new premium increase cap of HFIAA. FEMA estimates there will be 1,000,000 refunds totaling \$100 million. The refunds will range from a few dollars to \$10,000 or more. The average refund is \$100.

It is important to note that not all policyholders will receive a refund and nearly 80 percent of the programs policyholders paid a full-risk rate prior to both laws and continue to be minimally impacted by the implementation of rate changes and refunds. Refunds will only affect policyholders for whom the rate increases under Biggert-Waters were revoked.

### ***New Mandatory Surcharges***

As stipulated under HFIAA, a new surcharge will be added to all new and renewed policies to offset the subsidized policies and increase the solvency of the NFIP program. A policy for a primary residence will include a \$25 surcharge annually and all other policies will include a \$250 surcharge annually. This surcharge will be included on all policies, including full-risk rated policies until all Pre-FIRM subsidies are eliminated. We are still working on guidance related to the surcharges and expect for the guidance to be released this fall, with surcharges beginning in spring of 2015 after six months of notice to the companies as required by law.

### ***Grandfathering***

HFIAA restores FEMA's ability to grandfather properties into the risk classes they were in when the buildings was constructed. For properties newly mapped into a Special Flood Hazard Area (SFHA), HFIAA sets first year premiums at the same rate offered to properties located outside the SFHA (Preferred Risk Policy rates). These premiums will be increased annually within the premium increase cap set by HFIAA until they are actuarially rated.

### ***Affordability Study***

The HFIAA requires FEMA to draft an affordability framework, which is due to Congress 18 months after completion of the affordability study required by Biggert-Waters. Conducted by the National Academy of Sciences, this study will inform FEMA's affordability framework required by HFIAA.

In developing the affordability framework, FEMA must consider:

- Accurate communication to customers of the flood risk;
- Targeted assistance based on financial ability to pay;
- Individual and community actions to mitigate flood risk or lower cost of flood insurance;
- The impact of increases in premium rates on participation in NFIP; and
- The impact of mapping update on affordability of flood insurance.

The affordability framework will include proposals and proposed regulations for ensuring flood insurance affordability among low-income populations.

### **Other Provisions**

HFIAA also contains certain other provisions, including:

- Requiring FEMA to consider flood mitigation of the property in determining a full-risk rate (Sec. 14). This requires rulemaking.

- Mandating that FEMA develop a monthly installment payment plan for non-escrowed flood insurance premiums, which will require changes to regulations and the Standard Flood Insurance Policy contract.
- Increasing maximum deductibles for residential properties (Sec. 12).
- HFIAA encourages FEMA to minimize the number of policies where premiums exceed 1 percent of the coverage amount, and requires FEMA to report such premiums to Congress.

With regard to rulemaking, FEMA is in the process of developing regulations to implement provisions of HFIAA. This process includes complicated environmental, economic, and regulatory analyses. Upon completion of the Administration's review, FEMA will publish a notice of proposed rulemaking in the Federal Register, and interested members of the public will have an opportunity to submit their comments. At the end of the 60-day comment period, FEMA will carefully consider all comments received as part of the public docket and prepare a final rule. We have made rulemaking a priority for the provisions in the flood insurance reform laws and additional resources have been made available to implement the requirements of the new law.

## **Mapping**

### *Value of Maps*

Mapping and identifying flood hazards enables informed, smart development and encourages communities to adopt and enforce minimum floodplain management regulations. These efforts minimize the financial impact of flooding on individuals and businesses, and mitigate the effects of flooding on new and improved structures.

FEMA consistently releases new flood maps and data, giving communities across America access to helpful, authoritative data that they can use to make decisions about flood risk, enabling safer development and rebuilding following disasters.

FEMA has worked with its partners to map 1.14 million miles of flood study miles for the NFIP. FEMA monitors and manages the NFIP mapping inventory for these flooding sources closely through the use of a Coordinated Needs Management Strategy. As of March 2014, roughly 52 percent of these studied miles are either in compliance, or are actively being updated to achieve compliance with current technical standards. Of the remaining inventory, 40 percent of these studied miles require further assessment and the other 8 percent have been determined to require an updated study. Flood maps help communities identify flood hazards, develop smart plans and to adopt and enforce minimum floodplain management regulations. These efforts minimize the financial impact of flooding on individuals and businesses, and mitigate the effects of flooding on new and improved structures.

In FY14, approximately \$215M in funding was allocated to the FEMA Risk MAP program. Fifty-six percent of Risk MAP funds are used for map production. Map production remains the emphasis of the program, with the remaining funds going to supporting activities: 15 percent to customer support (call centers, outreach, etc.), 10 percent to program management, 9 percent for processing Letters of Map Change requests, 8 percent to support FEMA workers' salaries and benefits, 1 percent to risk assessment and mitigation planning, and 1 percent to travel, training, etc. FEMA, like many federal agencies, relies on contractors to perform some of the mapping to create efficiencies and to keep production costs low. Of those working on Risk MAP, 60 percent are contractors. To control standards and keep oversight, 4 percent of those working are from FEMA HQ and 8 percent are from Regional offices. The remaining 28 percent of those working on Risk MAP are Cooperating Technical Partners (State and local entities that receive grants from FEMA to produce maps and Risk MAP products), community-hired companies using their local knowledge to produce map changes, and other federal agencies, such as the U.S. Army Corps of Engineers.

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### ***Enhanced Communication and Outreach***

The HFIAA requires FEMA to enhance coordination with communities before and during mapping activities. In accordance with this direction, FEMA notifies Members of Congress when their constituents will be impacted by a flood mapping update. These notifications began in June of 2014, and will continue on a monthly basis. Congressional offices have been briefed on our implementation efforts and are now receiving monthly reports. FEMA Intergovernmental Affairs routinely distributes information to update state, local, tribal and territorial officials and national governmental associations on the implementation of HFIAA. And, as requested, FEMA Intergovernmental Affairs attends and facilitates meetings and conference calls with stakeholders to answer specific questions and provide more detail about the implementation process.

### ***Technical Mapping Advisory Council***

The Technical Mapping Advisory Council (TMAC) is a federal advisory committee established to review and make recommendations to FEMA on matters related to the national flood mapping program required by Biggert-Waters. This Council is currently organizing and will host its first meeting shortly. The TMAC is comprised of experts from Federal, state, local, academic, and private sector organizations as mandated by legislation and governed by the Federal Advisory Committee Act requirements.

HFIAA requires the TMAC to review the new national flood mapping program authorized under Biggert-Waters and for FEMA to submit the TMAC review report to Congress. Similarly HFIAA requires the Administrator to certify in writing to Congress that FEMA is utilizing

“technically credible” data and mapping approaches. FEMA will look to the TMAC for recommendations on how best to meet the legislatively mandated mapping requirements for the new mapping program including the identification of residual risk areas, coastal flooding information, land subsidence, erosion, expected changes in flood hazards with time and others.

As the new national flood mapping program is being established, FEMA expects there will be opportunities to make incremental administrative improvements to current procedures as it provides flood hazard data and information under the NFIP. FEMA will make those improvements where necessary to ensure all ongoing changes to flood hazards continue to be effectively communicated, mitigated, and properly insured against.

## **Levee Analysis and Mapping Procedures**

### *Levees*

Levees continue to be a major concern to many communities. Residents may be significantly impacted by the depiction of flood hazards, especially when the accreditation status of a levee system changes. To address the impacts of the depiction of flood hazards on Flood Insurance Rate Maps (FIRMs) to residents, FEMA has continued to refine the treatment of levee systems and how associated hazards are identified and mapped. A major step forward was the establishment of the updated Levee Analysis and Mapping Procedures (LAMP) to facilitate coordination and communication with communities to account for the flood hazard reduction granted by non-accredited levee systems on the FIRMs. FEMA initiated 25 pilot projects and plans to begin an additional 50 projects in the second year of applying these updated procedures.

FEMA is working to update the regulatory requirements to obtain an “Adequate Progress” or a “Flood Protection Reconstruction” determination to align with those outlined in HFIAA. Because of HFIAA, FEMA is authorized to consider requests for projects constructing or reconstructing flood protection systems; requests will not be limited to projects with federal funding; and the present value of the system can be considered in making determinations on applications requesting A99 zones to be mapped. A99 designates an area of special flood hazard where enough progress has been made on a flood protection system to consider it as complete for flood insurance rating purposes.

A community whose flood protection system can no longer be certified, but those who are in the process of restoring the system may be eligible for a flood control restoration zone reflecting temporary flood hazard areas in order to obtain reduced flood insurance rates and floodplain management requirements although the mandatory purchase requirement still applies. The HFIAA authorizes FEMA to consider Zone AR requests that may be submitted for levees in riverine and coastal areas, except when the landward flood zone of the existing structure would be defined as a Coastal High Hazard Area; requests will be reviewed without regard to federal funding or participation; and restoration projects must be complete or meet the requirements to submit a request for a Zone A99 determination within a specified timeframe, not to exceed 10

years, from the date the community submits the request for a Zone AR determination by FEMA. FEMA is working to update its Zone AR regulations as well.

### ***Other Provisions***

HFIAA exempts mapping fees for flood map changes due to habitat restoration projects, dam removal, culvert re-design or installation, or the installation of fish passages. HFIAA requires FEMA to consider the effects of non-structural flood control features, such as dunes, and beach and wetland restoration when it maps the special flood hazard area.

### **Promoting Mitigation**

FEMA helps thousands of communities and tens of thousands of individuals avoid the suffering and economic loss associated with disaster damage through encouraging the development of mitigation plans, funding mitigation activities, incentivizing sound floodplain management strategies and developing resources – such as maps – that inform risk.

FEMA promotes effective hazard mitigation through community education, outreach, training and coordination with the public and private sectors. To achieve these goals, the outreach group provides advice to the public on hazard mitigation techniques and measures through Disaster Recovery Centers, other disaster assistance facilities, community meetings and special events.

In cooperation with the state, this group also promotes partnerships and trains local officials, the construction industry, and residential and commercial building owners. It also identifies, documents and disseminates mitigation best practices.

### ***Incentivizing Communities: Community Rating System***

FEMA is also actively involved with increasing community participation in the NFIP Community Rating System (CRS). The CRS is administered by FEMA and provides reduced flood insurance premium rates for policyholders in CRS communities. The amount of premium reduction is tied to the effectiveness of a community's floodplain management program and other mitigation activities. Communities apply to participate in the CRS, are reviewed to determine eligibility, receive an assessment of their floodplain management loss reduction program and then are assigned a CRS Class rating that determines premium discounts. Through the CRS, the cost of insurance is reduced for policyholders in communities that take action to reduce flood risk.

The CRS is seeing a significant growth in recent participation. From 2011-2014, an average of 49 communities joined the CRS each year. In the previous three years, we saw an average of 32 new communities join each year. Similarly, there is growth in the number of existing CRS communities improving their CRS Class. An average of 91 communities have improved their CRS Classes in each of the last three years. An average of 82 CRS communities improved their CRS Class during each of the previous three years.

In total, 1,296 communities participate in the CRS program, representing 69 percent of all NFIP flood insurance policies.

In Maryland, 11 communities participate in CRS, which includes Unincorporated Prince George's County. This county is the most advanced CRS community in the state, with a CRS Class 5 rating. As a CRS Class 5 community, policyholders in the Special Flood Hazard Areas receive a 25 percent discount on flood insurance premiums. In Prince George's County, 932 policy holders receive this discount.

In Alabama, 14 communities participate in CRS. The City of Birmingham and Unincorporated Baldwin County both have a CRS Class 6 rating, which is the most advanced CRS Class in the state. As CRS Class 6 communities, policy holders in the Special Flood Hazard Areas receive a 20 percent discount on their flood insurance premiums. In the City of Birmingham, 777 policyholders receive this discount. In Unincorporated Baldwin County, 6,034 policy holders receive the discount.

In Louisiana, 42 communities participate in CRS. Jefferson, East Baton Rouge and Terrebonne Parishes have the most advanced CRS ratings in the state as CRS Class 6 communities. The CRS Class 6 rating enables policy holders in the Special Flood Hazard Areas to receive a 20 percent premium. More than 94,000 policy holders in the three parishes receive a CRS discount.

In Indiana, 21 communities participate in CRS. Unincorporated Hamilton County has the most advanced CRS rating in the state as a CRS Class 7 community. A CRS Class 7 rating enables policy holders in the Special Flood Hazard Areas to receive a 15 percent premium discount. 62 policy holders in the County receive a CRS discount.

FEMA is pleased to see growth in CRS. We are making internal adjustments to accommodate this growth and will continue to do so as demand requires. By strengthening partnerships with our NFIP State Coordinating Offices, using a new web-based application tool and relying more heavily on new communication technologies, we are achieving improved efficiencies that are enabling us to keep pace with this growth of interest.

## **Flood Insurance Advocate**

### ***HFIAA Requirements***

HFIAA requires FEMA designate a Flood Insurance Advocate to educate and assist policyholders with regard to flood mapping, mitigation, understanding their flood risk, and in obtaining accurate and reliable flood insurance rate information.

Specifically, the HFIAA requires that the Advocate:

- Educates on individual flood risks; flood mitigation; measures to reduce rates through effective mitigation; the rate map review and amendment process; changes in the program as a result of any newly enacted laws;
- Assists in understanding how to appeal preliminary rate maps and implementing measures to mitigate evolving flood risks;
- Assists in developing regional capacity;
- Coordinates outreach and education with local officials and community leaders in areas impacted by map amendments and revisions; and
- Aids potential policy holders in obtaining and verifying accurate rate information when purchasing or renewing a policy.

### ***Creating the Advocate***

FEMA is actively working to develop the concept of operations for the Advocate and identifying the resources required to stand up the office.

To develop this concept of operations, FEMA is meeting with federal agencies with advocate and consumer affairs offices to gather best practices and understand how these entities are structured. Additionally, the Agency is currently soliciting input from key stakeholders including WYO companies, state emergency management officials, hazard mitigation officers and NFIP coordinators.

### ***Next Steps for the Development of the Flood Advocate***

FEMA will continue to meet with stakeholders and gather best practices from other federal agencies throughout the summer. Additionally, FEMA will conduct an internal analysis of existing data, including data from call centers and questions from Congressional correspondence.

This feedback and data will inform the recommendations that the Advocate working group recommends to FIMA senior leadership, which will then provide a recommendation to the appropriate officials.

### **Conclusion**

FEMA administers the NFIP to help communities increase their resilience to disaster through risk analysis, risk reduction and risk insurance. The NFIP helps individual citizens recover from the economic impacts of flood events, while providing a mechanism to reduce exposure to flooding through compliance with building standards and encouraging sound land-use decisions.

HFIAA requires changes to major components of the NFIP, including flood insurance, flood hazard mapping, grants and floodplain management and FEMA is working quickly, yet carefully to make these changes.

Specifically, FEMA is moving ahead of schedule in prioritizing changes to the NFIP's business processes to stop policy increases for certain subsidized policyholders and in issuing guidance for the WYO insurance companies to begin issuing refunds to some policyholders.

I look forward to continuing to work with Congress on HFIAA implementation and to ensuring the continuing solvency of the NFIP.

## William Craig Fugate



W. Craig Fugate was confirmed by the US Senate and began his service as Administrator of the Federal Emergency Management Agency (FEMA) in May 2009. At FEMA, Fugate has promulgated the “whole community” approach to emergency management, emphasizing and improving collaboration with all levels of government (federal, tribal, state, and local) and external partners, including voluntary agencies, faith based organizations, the private sector and citizens.

Under Fugate's leadership, emergency management has been promoted as a community and shared responsibility. FEMA has fostered resiliency, a community-oriented approach to emergency management to build sustainable and resilient communities. FEMA has instituted a permanent catastrophic planning effort to build the nation's capacity to stabilize a catastrophic event within 72 hours. FEMA is implementing a National Preparedness System (PPD-8) to build unity of effort to address the nation's most significant risks. FEMA is supporting state and local governments with efforts to prepare for the impacts of climate change through "adaptation," which is planning for the changes that are occurring and expected to occur. The private sector has been integrated into federal emergency response, with a permanent private sector liaison at the agency, representation within FEMA's National Response Coordination Center, and the creation of the National Business Emergency Operations Center. FEMA has strengthened partnerships with voluntary agencies, including the formalization of the roles of FEMA and the American Red Cross as co-leads for national level mass care operations. Additionally, the function and access needs of people with disabilities have been integrated into all planning efforts, led by FEMA's new Office of Disability Integration Coordination. In September 2011, FEMA released the National Disaster Recovery Framework, defining Recovery Support Functions for federal agencies and the overall process for communities to rebuild stronger, smarter and safer.

Prior to coming to FEMA, Fugate served as Director of the Florida Division of Emergency Management (FDEM). Fugate served as the Florida State Coordinating Officer for 11 Presidentially-declared disasters including the management of \$4.5 billion in federal disaster assistance. In 2004, Fugate managed the largest federal disaster response in Florida history as four major hurricanes impacted the state in quick succession; Charley, Frances, Ivan and Jeanne. In 2005, Florida was

again impacted by major disasters when three more hurricanes made landfall in the state; Dennis, Katrina and Wilma. The impact from Hurricane Katrina was felt more strongly in the gulf coast states to the west but under the Emergency Management Assistance Compact or EMAC, Florida launched the largest mutual aid response in its history in support of those states. Under Fugate's stewardship, the FDEM program became the first statewide emergency management program in the nation to receive full accreditation from the Emergency Management Accreditation Program.

Fugate began his emergency management career as a volunteer firefighter, paramedic, and a Lieutenant with the Alachua County Fire Rescue. Eventually, he moved from exclusive fire rescue operations to serving as the Emergency Manager for Alachua County in Gainesville, Florida. He spent a decade in that role until May 1997 when he was appointed Bureau Chief for Preparedness and Response for FDEM. Within FDEM, Fugate's role as Chief of the State Emergency Response Team (SERT) kept him busy. In 1998, the SERT team was active for more than 200 days as a result of numerous floods, tornadoes, wildfires, and Hurricane George.

Fugate and his wife Sheree hail from Gainesville, Florida.