

TESTIMONY OF DAVID TERRY, EXECUTIVE DIRECTOR, NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS, BEFORE THE SUBCOMMITTEE ON HOMELAND SECURITY, HOUSE COMMITTEE ON APPROPRIATIONS REGARDING FY'23 APPROPRIATIONS FOR THE FEDERAL EMERGENCY MANAGEMENT AGENCY

May 26, 2022

Chairwoman Roybal-Allard, Ranking Member Fleischmann, and members of the Subcommittee, I am David Terry, the Executive Director of the National Association of State Energy Officials (NASEO). NASEO represents the Governor-designated energy directors and their offices in the 56 states, District of Columbia and U.S. territories. One of the key functions of the state energy offices is Emergency Support Function (“ESF-12”) related planning, mitigation, and response actions at the state level, as well as coordination with local governments and the energy industry – petroleum, natural gas, electricity.

We are in the midst of a severe national crisis of constrained energy resources in many areas, as well as rapid price increases. DHS as a whole, FEMA specifically, the U.S. Department of Energy, and the states must all work together in a coordinated manner with attention to each organization’s expertise and authority to get the job done for the nation. As was evidenced by the cyber attack on the Colonial Pipeline and the ongoing cyber attacks associated with the Russian invasion of Ukraine, we must put in place far more robust cyber defenses into our energy systems – petroleum, natural gas, electricity – as well as the rest of the economy.

We recommend that the Subcommittee approve specific funding in the following areas in the appropriations bill:

- 1) Full funding of the FEMA BRIC program at 6% of the funds disbursed. The Administration's decision to increase the FY'22 amount and the FY'23 request is a very positive step, but more is needed as is greater attention to critical energy actions within this program.
- 2) New state emergency planning and response grants to support coordination between the energy offices, state emergency management agencies, FEMA and the DOE Office of Cybersecurity, Energy Security and Emergency Response.
- 3) New direct funding to states for public facility resilience, energy, and water system retrofits to update mission critical facilities, especially including hospitals, schools, community shelters, non-profit nursing homes, and first responder facilities, utilizing private capital for energy efficiency improvements with federal funds directed to emergency response upgrades (this program could be operated by state energy offices, who already manage the existing \$5 - \$6 billion per year in energy service performance contracting programs). In addition, special provision could be made to target underserved rural healthcare facilities.

The program recommended in #3, above, would have the double benefit of assisting states in responding to hurricanes, floods, wildfires, earthquakes, and other hazards. More energy system resilient facilities with access to longer term back-up power, efficient HVAC, lighting, and hot water systems offer far greater reliability and durability of service for communities.

We are encouraged by the FY'23 request to provide increased funding for the FEMA BRIC program. Practical, cost-effective building codes, voluntarily adopted by state and local governments, require robust training of code staff and the building trade community to be

effective. The evidence that modern building energy codes result in more resilient and energy efficient construction and that such codes save lives and offer greater comfort to residents during a disaster is abundant.

Where a community has not adopted disaster resistant codes pre-disaster, post-disaster is the ideal time for that adoption or update. Post-disaster is also when permitting loads and training needs are at their greatest. Addressing these challenges through Section 1206 would allow FEMA to provide support to jurisdictions seeking to ensure that rebuilding is done to modern standards, which in turn can help impacted communities be better positioned to weather the next storm. Providing federal reimbursement for administering and enforcing older and less resilient codes risks perpetuating an unending cycle of damage and repair if those older codes are never updated.

DRRA Section 1206(a) permits FEMA to assist communities in adopting or updating building codes post disaster, in training code officials and builders on updated or existing building codes, and in boosting efforts to ensure rebuilding work community-wide is done to code. We believe FEMA should act now to implement that Section, which is consistent with the Agency's current Strategic Plan, ongoing programmatic work, the National Mitigation Investment Strategy, mitigation research, the DRRA, and congressional intent.

If the Subcommittee has any questions regarding this testimony, please contact David Terry, (NASEO Executive Director) (dterry@naseo.org) or Jeff Genzer (NASEO Counsel) (jcg@dwgp.com).