6/1/78 - Emergency Preparedness Reorganization Briefing Book

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PRESIDENT'S
REORGANIZATION
PROJECT

WASHINGTON, D.C. 20503

4 APR 1978

MEMORANDUM FOR THE DIRECTOR

FROM: Greg Schneiders G.S.

SUBJECT: Reorganization of Federal Emergency Preparedness and Response Programs

This memorandum informs you of the results of a study of Federal emergency preparedness and response programs which the President authorized on August 25, 1977, and makes several reorganization recommendations resulting from the study.

The President's Reorganization Project (PRP) finds that the present Federal civil structure for preparing for, responding to, and recovering from the effects of major national catastrophe is in disarray. It recommends consolidating three agencies which have the basic Presidential authorities for emergency preparedness and response (Decision No. 1) in a new, independent agency reporting to the President (Decision No. 2), together with selected allied emergency planning and hazard mitigation functions which support its basic mission (Decision No. 4). This agency would be charged with comprehensive responsibility for planning, preparedness, response to, and recovery from large scale emergencies ranging from natural and manmade disasters to civilian protection in nuclear war.

PRP further recommends that a White House emergency management committee be established and chaired by the Administrator of the new agency (Decision No. 3). The committee would be responsible for providing policy guidance to the new agency and advising the President in civil emergency situations.

We anticipate a favorable reaction to the plan in Congress. There is widespread recognition of the need for consolidation of authorities. Legislation similar in design to the basic consolidation proposal has been sponsored by Senators Proxmire, Percy, and Huddleston and about 20 members of the House. The major State, local and public interest groups associated with these programs favor the plan unanimously or overwhelmingly.

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Federal agency representatives [illegible] Members and Committee staff [illegible] now in the private sector. [illegible] research papers prepared by [illegible] political issues.

[illegible] related initiatives, including [illegible] Education Task Force, the Work[illegible] of the Special Coordinating [illegible] under the National Security [illegible]

[illegible] about the project was to establish [illegible] public communications and coordi[illegible] tion officials, the Congress, [illegible] leaders and the public at large [illegible] increasingly complex and depend[illegible] for food, shelter, transporta[illegible] large-scale civil emergencies [illegible] a threat to established society [illegible] Today's fast-threatening catastrophes have [illegible] earthquakes, tornadoes [illegible] industrial, urban and agricul[illegible] us more vulnerable to their [illegible] technological progress has placed the [illegible] jeopardy of military and [illegible] new category of man-made [illegible] dam failure and blackout [illegible] accidents.

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- Questionnaires for Governors developed jointly by the Project and the National Governors' Association.

- Meetings with key Federal agency representatives, interested Congressional Members and Committee staff and 14 expert consultants now in the private sector.

- Case studies and research papers prepared by the Project staff on critical issues.

- Involvement with related initiatives, including the Earthquake Hazard Reduction Task Force, the Working Group on Terrorism of the Special Coordinating Committee and PRM 32 under the National Security Council.

A major emphasis throughout the Project was to establish and maintain the best possible communications and coordination with key Administration officials, the Congress, State and local government leaders and the public at large.

Background

As our Nation has grown increasingly complex and dependent on technological systems for food, shelter, transportation, and communications, large-scale civil emergencies have steadily grown as a threat to established society. The range of potentially lifethreatening catastrophes has expanded. Natural phenomena like earthquakes, tornados and storms are not new, but industrial, urban and agricultural development has made us more vulnerable to their destructive power. Technological progress has placed the nation's civilians in direct jeopardy of military and terrorist action, and created a new category of manmade accidental disasters ranging from dam failure and blackouts to chemical and radiological accidents.

In recent years, these problems have received important attention at the State and local levels. Nearly all States and many communities have adopted new emergency planning and assistance laws to improve emergency coordinating authorities. Georgia, for example, developed its first comprehensive emergency and disaster operations plan while President Carter was Governor (May 16, 1974) and has recently adopted major changes in its laws patterned after the plan. Additionally, State and local emergency planning is now conducted on an "all-hazard" basis, taking advantage of similarities inherent in preparing for the full range of potential emergencies without regard to their cause.

control); Small Business Administration and Farmers' Home Administration (disaster loans); U.S. Geological Survey, National Science Foundation and National Bureau of Standards (earthquake and fire hazard reduction research); HUD (temporary disaster housing); National Oceanic and Atmospheric Administration (hurricane warnings); National Fire Prevention and Control Administration (fire research and hazard reduction), and dozens of others.

The effectiveness of these programs depends heavily upon a parallel involvement and commitment of manpower and funds by State and local governments. These governments will most readily provide resources to meet recognizable threats such as floods, fires, tornados, and earthquakes. They have shown less enthusiasm in preparing for a threat which is less immediate but ultimately more devastating—a nuclear attack upon the United States. On the basis of extensive interviewing and analysis of current program performance, our study concludes that a majority of State and local governments will treat attack preparedness seriously only under one of two conditions: (1) the Federal Government pays 100 percent of the cost, or (2) there is a demonstrable dual benefit from attack preparedness programs which can be applied in meeting the effects of natural or manmade calamities for which State and local governments have the lead role.

Problem Identification

There are serious problems with this organizational structure. Case studies, questionnaires, extensive consultation with officials at each level of government, in associations, and in Congress, and analysis of many Congressional, GAO, and executive branch study reports have virtually all raised serious questions about the performance of the current organizational structure in anticipating and managing the effects of large scale disaster on the civilian population.

Appendix A, pp. 2 through 10, contains a detailed list of the problems identified in the study process. A summary of the most serious problems includes:

- Although the President is responsible for Federal performance in national emergency situations, no single individual or agency is accountable to the President for Federal emergency policy or operations.

o Executive Responsibility. Anticipation of and planning for civil emergencies is an important executive responsibility, deserving regular attention and emphasis at the highest levels of the Federal structure. When a threat to life and property is large scale, the buck usually goes immediately to, and stops at the President's desk.

o State/Local Role. Both attack and natural disaster preparedness programs must be founded on in-place civilian organization and resources which are primarily at State and local levels of government and voluntary organizations. This is true at present expenditure levels and at any higher expenditure levels which are foreseeable.

o Use of In-Place Resources. Whenever possible, emergency responsibilities should be extensions of regular government responsibilities; the primary organizational task is to coordinate, facilitate, and make accountable the employment under emergency conditions of resources that have other uses on a day-to-day basis.

o Mitigation. Hazard mitigation—reducing vulnerability of people and property through sensible regulation of land use and building standards—should be a central long-term thrust of the cooperative Federal, State, and local effort to deal with potentially predictable disasters like floods, hurricanes, and earthquakes.

PART II—REORGANIZATION DECISIONS

The central decisions to be made relate to consolidation of the major emergency planning and coordination agencies, location of the consolidated agency and its linkage to the White House. The remaining decision relates to additional functions or programs that are recommended for transfer to the consolidated agency.

DECISION No. 1—CONSOLIDATION OF DCPA, FDAA AND FPA

The Project concentrated first on alternative structures for the three agencies (DCPA, FDAA, FPA) which have the major coordinative authorities delegated to them by the President. Each of six alternatives was analyzed against ten criteria which were developed on the basis of public input and Project

And, to the extent possible, any new organization should meet program responsibilities more efficiently and should not create anticipations leading to increased budget pressures.

The detailed comparison of each organizational option with each criterion appears in Appendix A, beginning at page 15. The Project finds that the alternative which most fully satisfies all of the criteria is the consolidation of all three agencies. This would include all functions now assigned to these agencies except stockpile disposal which would remain in GSA. Key communications and engineering functions now performed by the U.S. Army in direct support of DCPA's civil defense programs would also transfer. The total number of personnel transferred to the new agency by the consolidation would be approximately 1,850, including 225 now under U.S. Army ceiling.

The mission of such an agency, a complete statement of which is at Appendix E, would be broad and important. It would develop, implement and monitor Federal policies and programs to protect the civilian population and preserve national resources and constitutional government in anticipation of major emergencies. It would coordinate Federal programs and activities for all phases of civil emergency planning and management, including preparedness for, mitigation of, response to and long-term recovery from the effects of natural, accidental, and wartime civil emergencies.

The Administrator will be expected to delegate a number of operational authorities to other departments or agencies, with appropriate reallocation of funds and subject to agreed-upon accounting mechanisms. The Project anticipates that disaster temporary housing and disaster unemployment assistance programs will fall in this category. The Project also believes that the concept of delegate agency funding, used in the past as a mechanism to assure performance of preparedness assignments by Federal agencies, should be reinstituted for essential tasks to be specified by the Administrator as part of the budget formulation process.

The civil defense and industrial mobilization functions of the new agency require close and frequent working contacts with the Department of Defense. The Project believes that the most effective way to provide this link would be to have a DOD liaison office reporting to the Administrator of the new agency. Such a staff would be small and manned by high-level DOD personnel reflective of Defense expertise in operations, policy, and resource management. In developing civil defense and industrial mobilization policies and functions of the new agency, the Administrator

— Establishment of a crisis control center to support Presidential decision-making in domestic emergencies.

— Institution of an annual report to the President and Congress on national preparedness for civil emergencies.

— Development of a comprehensive training program on civil defense, natural disasters, fire prevention, and peacetime nuclear incidents for Federal, State and local personnel.

— Development of a centralized vulnerability assessment capability.

o Responding to Congressional initiatives, which have strong support, for reorganization and program change by legislation.

o Consolidation of the large automatic data processing systems of FPA and DCPA resulting in improved services to the users and in future savings through decreased procurement of duplicated system components.

o Significant economies and efficiencies realized through combining separate sets of regional offices and elimination of operational and administrative duplication. Preliminary data indicate that a 10 to 15 percent permanent staff reduction from the initial size of the consolidated agency can be achieved through attrition without adversely affecting program performance.

The costs and potential drawbacks associated with the consolidation include:

o Combining civil defense with natural disaster activities could result in deemphasis of one or the other.

o The States would expect a more sympathetic hearing from an agency corresponding more closely to their own organizations. This could result in pressures for higher funding.

o Short-term disruption to established capabilities would be a risk. This is most serious with regard to FDAA.

ineffective because of the poorly defined objectives of DCPA and FPA. This option is preferred by those who fear that emphasis on civil defense and other attack preparedness programs will be diminished if these programs are combined in an agency which is also charged with natural disaster preparedness and response. The OMB National Security budget division favors this option and recommends that FPA's functions be added to those of DCPA within the Defense Department.

The Project notes, however, that the successful implementation of preparedness programs for both nuclear attack and natural disasters depends upon the commitment and involvement of State and local governments. They have rejected this alternative emphatically. This Project finds further that these governments are unwilling to commit substantial resources to preparedness programs which have no demonstrable payoff in terms of their contribution to development of a capability to deal with day-to-day emergencies. The continued separation of nuclear attack from natural disaster preparedness and response programs will assure perpetuation of the current lack of concern about and progress toward development and maintenance of a capability to protect the civilian population in time of attack. This alternative also fails to take advantage of economies inherent in "dual use" of emergency-relevant resources as described in Appendix F. Congress will regard this change (which can be accomplished by Executive order) as unresponsive and proceed with more comprehensive changes in program and organization through legislation.

o <u>Creation of an EOP Oversight Staff</u>

This option would place final responsibility for monitoring and guiding, as necessary, all Federal emergency policies, plans, and operations coordination in a staff in the EOP. Such an arrangement would require no realignment of current organizations with its attendant disruptions, and would be a significant statement of concern for and emphasis of Federal emergency responsibilities. It would also partially meet the desire of Congress and State and local governments that any new organization resulting from this study be located in the EOP.

The Project rejected this option for three basic reasons. First, such an arrangement would enlarge the EOP staff, which the President wants to keep as small as possible. Second, this option would separate coordination and planning from operational functions to an extent that might well lead to increased,

civil defense is determined to be important to our strategic posture, an effective program can be carried out better by a consolidated civilian agency than by DoD where the program has always been treated as an afterthought. DoD has no other significant grant administration programs. Keeping civilian attack preparedness in DoD, and separate from other programs which also contribute to "all-hazards" planning, will be strongly rejected by State and local governments. Finally, many "strategically significant" assets are not and have never been under DoD control—including continuity of government, industrial mobilization and stockpile, emergency food supply, transportation networks, and civil defense policymaking which is in fact formally assigned to FPA.

PRP believes that while marginal improvements over the status quo can be made with other alternatives, both management and political criteria indicate strongly that a more sweeping consolidation of authorities is the preferred alternative. Each alternative can be accomplished by Executive order.

PRP Recommendation: Consolidate DCPA, FPA, FDAA

DECISION NO. 2—CREATION OF AN INDEPENDENT AGENCY

(This and subsequent decisions are relevant only if the PRP recommendation in Decision No. 1 is approved.)

The following options were considered as alternative locations for a consolidated agency:

- Incorporation within the Executive Office of the President.
- Incorporation as a sub-unit under one of the three parent agencies (DoD, HUD, GSA) or another agency.
- Creation of an independent agency.

The first option was rejected on the basis that it was not crucial to the success of the agency and it would more than double the current size of the EOP. Creation of essential links of the consolidated agency to the EOP, not its placement there, was considered the key element.

functions of the consolidated agency and would, therefore, be strongly resisted by the national security community. Whether or not attack preparedness would, in fact, be downgraded in favor of peacetime disaster priorities in a domestic agency (and we believe it would), the international perception would inevitably be that civil defense was disappearing from the American military strategy.

On the other hand, subordination of the agency within DOD would raise objections on the basis that it is inconsistent with the overall responsibilities of the Defense Department and extends the military role into civilian matters far more than is presently the case. Defense has given scant attention to its civil defense program in the past. It would also be especially objectionable to State and local government, and to voluntary associations and church groups.

The option of creating a new independent agency has as its major disadvantage the fact that another Federal agency is added to the existing inventory of entities reporting directly to the President. This may be viewed as inconsistent with his pledge to reduce the number of agencies. A secondary disadvantage is that the President will not be protected by Departmental "layers" from personal criticism in the event of a mishandled emergency. However, we believe that independence is absolutely essential to the success of the new agency and would provide the following advantages:

- Immediate accountability of the agency to the President, who, in any event, bears personally the Constitutional, statutory and political responsibility for Federal emergency planning and response to major civil emergencies.

- Increased public visibility for and understanding of Federal involvement in emergency planning and response.

- Elimination of the policy conflicts inherent in the agency's placement within a major department or agency both in dealings with its own parent agency and with other Cabinet level departments.

- Creation of an effective Federal focal point without multiple oversight levels on issues of planning,

be provided by the new agency. We further recommend that the Administrator be invited to relevant NSC and all Cabinet meetings. These are flexible devices, permitting direct access to the President when required. But more importantly, they would establish the access and visibility which the new agency's Administrator will require to gain cooperation at all levels of government for carrying out responsibilities that are indeed Presidential in scope and importance.

There has been no opposition to these recommendations though the National Security Advisor believes the Vice President should serve on and chair the Committee.

PRP Recommendations: Establish White House Emergency Management Committee

Administrator invited to relevant NSC and all Cabinet meetings

DECISION NO. 4—ADDITIONAL RELATED FUNCTIONS

Approval of the above three decisions will satisfy the demands made by State and local governments and will meet little resistance in Congress. Standing alone, the organization established by those decisions will be stronger and more stable than similar consolidations described in the historical survey. (Appendix B).

The Project went beyond the functions of DCPA, FDAA, and FPA in its analysis, however, and examined in depth 19 further programs and functions which are closely allied with the major responsibilities of the new agency. In particular, we looked closely at programs which have separate contacts with State and local emergency services agencies for specialized types of emergencies. We also took note of the fact that the size and breadth of Federal hazard reduction and disaster mitigation activities have greatly expanded in recent years, assuming a role of equal importance with response planning and relief operations. New authorities since 1973 give the Federal Government important roles in fire prevention, flood plain management and flood insurance, weather disaster preparedness, dam safety, radiological safety, environmental disaster cleanup, and earthquake hazard reduction. The array of such activities, and the challenge of coordinating them, is now much greater than

1. Office of Earthquake Hazard Reduction

P.L. 95-124 requires the designation by August 3, 1978, of a Federal entity as the focal point for coordination of earthquake hazard reduction research and implementation activities at the Federal, State and local levels. This role has been assigned on an interim basis to the Office of Science and Technology Policy (OSTP), which is now developing, in cooperation with an interagency task force, an implementation plan as required by the law. OSTP concurs in the recommendation that the new agency be assigned responsibility for developing and coordinating the earthquake hazard reduction program. (Appendix G)

2. Dam Safety Coordination

There is currently no focal point for coordination of Federal activities to assist State and local governments in identifying hazard areas and planning for warning and evacuation of areas subject to inundation dam failure. The President will have assessments (from OSTP) on both Federal dam safety and the appropriate Federal role with respect to non-Federal dams by the time the new agency is established. Placing responsibility for implementation of recommendations from these studies in the new agency will meet a serious need in this area. OSTP has no objection to inclusion of this function in the new agency later in the year. (Appendix H)

3. Warning Oversight and Emergency Broadcast System Policy

The General Accounting Office has criticized the lack of coordination among emergency warning systems and recommended that the Office of Telecommunications Policy (OTP) assure the integration of disaster and attack warning system requirements. Since this recommendation, OTP has been abolished and most of its functions transferred to Commerce. The warning oversight function has never been assigned to any agency.

OTP also had responsibility for determining overall policy and White House requirements related to the Emergency Broadcast System (EBS). EBS is a means of Presidential communication to the general public in emergencies and operates through voluntary participation of the broadcast media.

5. National Weather Service Community Preparedness Program

The National Weather Service (Department of Commerce) administers a $2 million community-level disaster preparedness program with primary emphasis on local preparedness planning for hurricanes, floods and severe winter storms. Although small (43 staff years budgeted in FY 79), this is in fact the largest natural disaster preparedness system in the Federal Government. The Project finds that these activities overlap civil defense and disaster preparedness authorities to be centered in the new agency and that separate contact by NWS personnel at the State and local level contributes to criticism of program fragmentation and is wasteful. In particular, the function of advising communities on the relative priorities of weather-related disasters can conflict with broader priorities on an all-hazards assessment.

The Department of Commerce opposes transfer of this program. It points out that disaster preparedness meteorologists spend a quarter of their time training for forecasting duties (according to their job description), and that this contribution to forecasting capability would have to be replaced. Commerce emphasizes the technical content of this function, and asserts that the program could re-direct its efforts away from preparedness programs and concentrate "entirely on the technical and scientific problems associated with an effective warning system."

PRP recommends transfer of the community preparedness function to the new agency, leaving about one-quarter of the staff resources in Commerce so as to minimize net impact on forecasting capabilities. (Appendix K)

6. National Flood Insurance Program (NFIP)

With the earthquake hazard reduction program still in development, the major nonstructural hazard mitigation program now in effect is the NFIP. It is administered by the Federal Insurance Administration (FIA) in HUD. The flood insurance program requires the establishment of local flood plain zoning and building standards as a condition for availability of subsidized flood insurance. The NFIP constitutes 85 to

small a remainder to carry out their insurance oversight and consultation activities effectively. Finally, HUD worries about a decline in status and visibility for NFIP in the new agency.

PRP recommends inclusion of NFIP in the new agency to give it the central role in hazard mitigation responsibilities. Some Congressional opposition to the proposal may emerge, and Congressional critics may use the reorganization proposal as an avenue to attack the program. Environmental groups will scrutinize the proposal carefully. They should support it unless they perceive that transfer would mean a decline rather than enhancement of hazard reduction as a basic principle in opposition to disaster relief. (Appendix L)

7. National Fire Prevention and Control Administration (NFPCA)

Loss of life and property from fire exceeds by many times losses from all other natural disasters combined. The typical incident, however, is small scale rather than a mass disaster.

While over 30 Federal agencies and departments conduct fire programs, the central oversight agency is the NFPCA, established in 1974. The NFPCA reports directly to the Secretary of Commerce and is concerned with fostering research, planning, and public information on fire prevention and mitigation. It has 124 employees, a budget of $18 million, and no regional offices. The agency works closely with States and larger communities, deliberately deemphasizing fire combat as opposed to prevention and mitigation. Funds for establishment of a a National Academy for Fire Prevention and Control were eliminated from the 1979 budget pending further review of building plans.

The functions of the NFPCA demand effective interagency involvement and are similar in scope and definition to planning, coordinating, and mitigation responsibilities of the new agency. The program requires close contact with State and local governments which could be greatly enhanced through the new agency's regional structure. In addition, the program shares, in part, the same constituency as the civil defense program: about 15 percent of local civil defense organizations are in fact fire departments, a pattern particularly noted in such large cities as Boston, Philadelphia, Chicago, and Seattle.

- Earthquake Hazard Reduction Program (OSTP)
- Dam Safety Coordination (OSTP)
- Warning and EBS Policy Oversight (OTP)
- Response to Consequences of Terrorist Incidents
- Community Disaster Preparedness (NWS)
- National Flood Insurance Program (HUD)
- National Fire Prevention and Control Administration (Commerce)

PART III—IMPLEMENTATION

A detailed reorganization plan incorporating these decisions can be prepared for submission to Congress within one month. Assuming favorable action by the Congress, the total restructuring should be achieved by January 1, 1979.

Early attention should be paid to recruitment of an Administrator. He or she will have a difficult task, since the problems are long-lasting and the changes recommended here are essential tools rather than solutions in themselves. Because the highest caliber of executive talent is needed, and because much of the job will involve coordination of Cabinet departments, we recommend that the Administrator be given a Level II executive appointment.

On previous plans, the Congress has insisted on a detailed description of the internal structure of any new entities created as well as organizational changes to agencies from which functions are being deleted. A preliminary organization chart of the new agency is attached to Appendix N. The structure reflects a balanced approach to consolidating responsibilities by merging like functions and operations to the extent possible while maintaining the identity of important programs such as disaster relief, civil defense and fire prevention.

PART IV—SUMMARY

Approval of the full set of recommendations would result in an organization with an initial personnel complement of approximately 2,300 and a first-year budget of roughly $475 million. However, after effective program and staffing integration occurs, both of these levels can be reduced. As indicated earlier, a personnel cutback of 200 to 300 spaces could occur through attrition with no degradation of program performance. Budget reductions, while not proportional to personnel cuts, may possibly be as high as $10/15 million annually. Budget and personnel implications, when fully developed with cooperation of the agencies involved, will be highlighted in the submission to Congress.

In sum, the plan has considerable potential for public appeal and acceptance. It has widespread support in the Congress and the near unanimous endorsement of State and local leadership as evidenced by the Resolution of support of the mid-winter National Governors Conference. The media is becoming increasingly interested in natural disasters, terrorism and civil defense. We believe that this plan will be seen as firm action on the part of the Administration to insure that, as a nation, we are ready for and can respond rapidly and effectively to disasters, emergencies, and crises of all types.

A

PROJECT OVERVIEW

I. SCOPE

A fundamental purpose of government is the protection of its citizens. As society has become more complex and interdependent, its vulnerability to disruption by manmade causes and by natural forces has correspondingly increased.

Since the end of World War II, Congress has enacted an array of programs which permit the Federal Government, on its own behalf and in concert with State and local governments, to plan and prepare for and respond to and recover from a wide range of civil emergencies. These include programs to warn and to protect the civilian population and industry in the case of an attack upon the United States, to provide for the continuity of civil government at Federal, State and local levels, to anticipate and ameliorate the effects of disruptions in resource supplies and distribution networks, to inventory and allocate surviving resources in a post-attack environment, and to assist State and local governments and individuals in preparing for and coping with the effects of natural disasters.

More recently, increasing attention has been focused on programs which may be undertaken in advance of certain predictable calamities to reduce and, in some cases, ultimately to eliminate their effects. These include programs relating to earthquake hazard reduction, dam safety, flood control, and flood plain management, including flood insurance.

The study has identified forty-two Departments and independent agencies which have responsibilities under law, Executive Order or redelegation for programs or activities relating to hazard mitigation and to civil emergency planning, preparedness, response and recovery. A much smaller number of agencies hold the major Federal authorities in these areas, however, and it is on these which the study has focused. For all programs other than hazard mitigation, the most important authorities are currently assigned by Executive Order to the Federal Preparedness Agency (FPA) of the General Services Administration (GSA), the Defense Civil Preparedness Agency (DCPA) in the Department of Defense (DOD), and the Federal Disaster Assistance Administration (FDAA) in the Department of Housing and Urban Development (HUD). Without exception, the authorities exercised by these three agencies are vested in the President. The major authorities for hazard mitigation activities are less homogeneously distributed.

The history of the organizational location of major Federal authorities to plan and prepare for and to respond to civil

crises and natural disasters has been a convoluted one, involving almost every possible combination of authorities and organization locations. Indeed, this functional area of government has been reorganized totally, or in part, on six occasions since 1945. The most recent of the reorganizations of these authorities in 1973 created several serious problems which led to the need for this study. This reorganization abolished the former Office of Emergency Preparedness (OEP) located in the Executive Office of the President, and distributed its functions among a number of agencies, including GSA, HUD and the Departments of Treasury and Commerce, resulting in the greatest degree of fragmentation of these authorities which has existed to date.

II. PROBLEM IDENTIFICATION

In accordance with the President's guidance and the mandate of the Congress as contained in the Reorganization Act, the Project has solicited and received extensive comment from interested groups in the process of identifying problems surrounding Federal organization and management of emergency preparedness and response authorities. The commonality in their problem statements is that the attitudes of State and local governments towards, and their willingness to undertake, civil emergency preparedness programs correlates directly to their perception of the importance placed upon these programs at the Federal level. The major problems which have come to the attention of and have been corroborated by the Project's analysis are as follows:

A. Awareness

1. National security capabilities of civil government, developed when attack preparedness was more salient, have eroded considerably during the last decade.

2. Throughout government at all levels there is a lack of recognition that civil emergency preparedness requires a full and continuing commitment to integrate disaster readiness into existing organizational structures.

B. Authorities

1. Executive orders and legislative statutes, which are in some cases seriously out of date, are

interpreted differently by various agencies leading to duplication of effort, jurisdictional disputes, inconsistent planning requirements, and inefficient delivery of services.

2. The Federal government lacks a clear and consistent understanding of the relationship between attack and peacetime preparedness activities and of its legislated role in assisting States to prepare for natural disaster relief and recovery.

C. Policy Making

1. Emergency preparedness policies lack continuity and clear national leadership endorsement and are subject to frequent disruptive changes in thrust and funding.

2. State and local governments lack opportunities to contribute to preparedness policies, which result in uneven commitment to measures for which they are jointly responsible by statute.

3. Federal agencies are uncertain about the source of emergency preparedness policy guidance, resulting in confusion, inaction, and uncoordinated efforts at the Federal level.

4. The principal national plan for emergency preparedness has not been revised since 1964, resulting in outdated guidance that does not reflect current world conditions or enemy capabilities.

D. Program Structure

1. Duplication and overlap exist in preparedness grant and assistance programs. There is no central coordination of agencies which assist States to prepare for nuclear attack (DCPA, FPA), natural disasters in general (FDAA), floods (the Federal Insurance Administration in HUD, Corps of Engineers), earthquakes (the U.S. Geological Survey in Interior and the National Science Foundation), nuclear incidents (the Nuclear Regulatory Commission), environmental disasters (the Environmental Protection Agency), emergency medical needs (the Department of Health, Education and Welfare) and other potential catastrophes.

2. There is an unnecessary fragmentation of Federal warning policies and associated communications systems.

3. Required grant documentation is excessively voluminous and not carefully linked to accomplishment of mission.

4. State preparedness activities are vaguely defined. The concept is broad enough to encompass major hardware and personnel expenses with no one responsible for setting program priorities.

E. Crisis Management

1. No recognized structure exists for dealing with rapidly developing crises such as serious disruptions of essential resources. Current arrangements are *ad hoc* and fraught with jurisdictional disputes.

2. Anticipation of slowly developing emergencies (e.g., drought, energy shortages) has been poor, resulting in hastily conceived remedial measures that are wasteful and ineffective.

F. National Security Emergency Functions

1. Continuity of government responsibilities of major Federal agencies lack top-level attention and are inadequately monitored. The capability for continued operation of the Federal Government during and after a nuclear attack is questionable.

2. Preparations are inadequate for the mobilization of industry and the management of resources during an attack crisis. This can result in severe shortages for defense and the essential civilian economy.

3. The separation of Federal agency coordination for attack preparedness from the coordination of State activities causes serious program gaps and contributes to the lack of emphasis States place on attack preparedness.

4. The relatively low organizational placement of the principal emergency preparedness agencies, and functions within agencies, has submerged their importance and accountability.

G. Disaster Mitigation and Relief

1. Neither State nor Federal organizations integrate disaster mitigation with relief and preparedness, so that there is an inadequate understanding of the relative costs, benefits, and feasibility of mitigation measures.

2. Mitigation and prevention programs are developed on an ad hoc basis (dam safety, earthquake hazard reduction, flood control, flood plain management), with no one responsible for setting priorities among them or developing comprehensive plans.

3. The criteria and decision-making process used in Presidential disaster declarations are unclear, resulting in confusion on eligibility for Federal assistance.

4. Sub-Presidential authority to declare disasters and determine eligibility for assistance is fragmented and inconsistent. Uncoordinated program delivery on behalf of responsible Federal agencies has lead to ineffective implementation.

5. Federal staffing patterns in a disaster relief situation often in personnel being assigned who have insufficient training and experience, and in disruptions to regular work programs of such agencies as USDA, HUD, and SBA.

6. Auditing/certification procedures for individual grants are cumbersome and duplicative.

H. Long-Term Recovery

1. The Federal responsibility for coordinating long-term recovery has not been assigned, resulting in multiple contact points for affected jurisdictions.

2. Immediate postdisaster relief is carried out without attention to possible pre-emptive effects on long-term recovery options.

III. OTHER POLICY AND PROGRAM STUDIES

The level of concern about the programs which are the subjects of this study is manifest by the amount of attention which they have recently received, including:

A. Extensive Congressional hearings by a panel of the House Armed Services Committee during 1976 and by the former Joint Committee on Defense Production in 1976 and 1977.

B. A Presidential Review Memorandum issued last fall calling for a review of civil defense policy;

C. A study last fall by the Secretary of Defense which examined alternative civil defense program levels;

D. A review currently underway of disaster declaration criteria being sponsored by the Office of Management and Budget;

E. An internal study begun last fall by the Department of Agriculture on the policies and procedures relating to agriculture disaster programs;

F. A conference in Salt Lake City this spring, sponsored by the Western Governors' Conference, to examine Federal response to disasters;

G. A study of disaster preparedness programs and procedures by the National Governors Association, currently underway;

H. A comprehensive study now in the development stage of Federal programs and capabilities to meet crises by the Congress's Office of Technology Assessment.

IV. ANALYTICAL PROCEDURE AND JUSTIFICATION

A. Information Sources - To support its analytical work, the Project used a variety of techniques and consulted a wide range of views.

1. Case Studies. Detailed studies were conducted by the Project to highlight problems or to determine more precisely the nature of certain interrelationships, as follows:

a. The Civil Emergency Preparedness Policy Planning Guidance Document (CEPPPG). This study was undertaken to determine why the 1977 CEPPPG prepared by FPA to replace the 1964 version was not promulgated and to assess any policy and organization implications stemming from this decision. The findings of the study were that when the document was reviewed by the Departments for coodination, several significant objections were raised which led to the NSC decision not to issue it. These included disputes between FPA and FDAA over authority to define the Federal role and set agency priorities for natural disaster preparedness, as well as disagreements concerning the departmental mission statements and their application to readiness for wartime crises vis-a-vis peacetime disasters. Among the conclusions drawn from these findings was that the Federal Government's policy for support of State and local governments in preparing for peacetime emergencies (as distinguished from attack readiness in civil defense) has not been clearly defined by national leadership. Issues on jurisdictional authorities and agency operational response cannot be finally resolved until this policy question is answered.

b. "Dual-Use" of Civil Defense Funds. The purposes of this study were to review the history of the "dual-use" policy for civil defense resources, to assess the basis for positions advocating and denouncing the policy, including statutory authorities for its use, and to identify and evaluate any policy, organization and program implications which arise from these issues. Among the key findings of the study was the fact that disagreements over the scope and application of the "dual-use" policy stem, in great measure, from uncertainty about the attitudes of the national leadership on this issue and from a lack of definition on the role civil defense is to play in the national strategic defense posture. Conclusions drawn from the study indicate that while "dual-use" as a policy is unassailable in terms of efficient resource utilization, it cannot be effectively and consistently implemented without potential detriment to attack preparedness priorities until a Federal role in and responsibility for support of comprehensive emergency preparedness at the State and local level is enunciated.

c. Development and Implementation of Crisis Relocation Planning (CRP) Program. The primary objective of this study was to examine the Federal Government's decision to develop a CRP program and to determine the factors which have contributed to its relatively slow implementation. Issues taken into consideration include the authority for undertaking this program as a principal civil defense option and involvement in the program by State and local governments, both at its inception and during its operational implementation. The significant findings developed were that the program was undertaken principally on the basis of a DOD/DCPA decision as to its need, without the endorsement of national leadership and FPA. Under these circumstances, State and local government commitment, which was important to its effectiveness, was more passive than active and the other Federal agencies with mission responsibilities to support CRP made little or no effort to contribute to its implementation. The conclusions drawn from these findings raise two main points; first, that questions of national resolve and policy authority must be addressed if comprehensive program participation and support by Federal agencies is to

be effective, and; second, that State and local governments cannot be expected to respond affirmatively unless they perceive a coordinated Federal commitment to program achievement.

d. Flood Plain Management and Flood Insurance. This case study was designed to investigate the basis for establishing the National Flood Insurance Program and, if possible, to assess the potential application of this form of disaster mitigation assistance to other recurring emergencies. The findings of the study indicate that, while the requirement for systematic planning, control and enforcement of sanctions inherent in the program have some potential benefits for flood disaster mitigation, it is too early to demonstrate this conclusively. The program will not achieve its full potential until all federal flood planning and assistance programs contributing to damage mitigation are more fully coordinated toward common objectives. More effective and broader policy oversight for these programs is needed to assure that they are complementary and consistent.

e. Federal Response to Eastern Kentucky Flood of 1977. The focus of this study was on the steps taken by the Federal Government to provide emergency assistance and relief to flood victims in Kentucky and to assess the effectiveness of these measures in terms of policy, organizational or procedural implications. The study finding confirmed previous reports that State and local preparedness plans were not generally effective in minimizing the flood impacts and that Federal plans to provide emergency assistance were fragmented in approach and not responsive to public and private relief needs. Key weaknesses identified in the Federal response included lack of orientation of Federal assistance to particular community needs in the disaster area and lack of program coordination and cooperation by participating Federal agencies. Conclusions drawn from the study indicate that, absent effective interagency direction, coordination, and support, Federal assistance programs tend to be isolated by design and non-complementary, particularly in melding preparedness planning objectives with actual disaster mitigation and relief operations.

f. The National Drought of 1977. This case study was targetted at determining the effectiveness of the Interagency Emergency Drought Coordinating Committee established in April 1977. It included an investigation of why the Committee was established, how its role was defined and an assessment of the strengths and weaknesses of this type of organizational initiative. The findings developed in the study show that the Committee was set up to fill a gap identified in existing federal procedures, to centralize the processing of state drought relief requests, and to coordinate ongoing and new drought relief programs implemented by several Federal agencies under independent program authorities. As a program focal point the Committee met its objectives, but as a coordinating unit it was not very effective, because comprehensive drought assistance planning on an interagency basis with State and local governments had not been pursued by those agencies bearing that responsibility. The key organizational implication drawn from the study is that effective Federal disaster response must be developed and planned for on a comprehensive basis under the guidance and coordination of an authority clearly charged with that responsibility.

2. Issue Papers. A number of issue papers were prepared for the purpose of examining more specific areas of concern, as follows:

a. Industrial Preparedness. In a survey of the status of programs in this area, the paper finds that they have been seriously eroded during the past decade from lack of attention, traceable, in part, to the lack of a focal point for planning and coordination.

b. Continuity of Government. This paper explores the relationships between FPA and DCPA in establishing the policy and planning guidance and in operating the systems which will support continued Federal operations in the trans and post attack periods. The paper finds that a consolidation of systems and policy responsibilities would be more efficient.

c. Terrorism. The paper examines current perceptions of the terrorist threat and the current mechanisms for dealing with terrorist activities. It distinguishes between dealing with the incident

as it transpires--the responsibility of the Special Coordinating Committee of the National Security Council--and dealing with the consequences of the incident in terms of destruction or resource supply interruption--not now the responsibility of any central coordinating mechanism.

d. Long Range Recovery. This paper surveys the history of and current research on the Federal Government's efforts to assist State and local governments in disaster recovery efforts which go beyond the immediate post-disaster emergency period. It finds that while research has not been able to document specific long term economic consequences of disasters, there needs to be a closer correlation of emergency assistance to longer term mitigation and recovery efforts.

e. Delegate Agency Funding. This paper traces the history of the delegate agency funding concept as it has been applied to the support of emergency preparedness functions of certain Federal agencies. It finds that a prerequisite to the successful reinstitution of this concept is a clear and purposeful statement of support for civil emergency preparedness programs. Without such a statement it will be difficult to exercise any meaningful control over the purposes which the funds are intended to meet.

3. Agency Information Request. A detailed information request was developed and transmitted to all agencies preliminarily identified as having programs or responsibilities within the scope of the Project. Analysis of the responses to this request confirms both the breadth of the Federal Government's responsibilities for emergency preparedness, response and recovery activities, and the determination that the fundamental authorities are vested in a few key agencies.

4. Historical Analysis. The Project conducted an analysis of former reorganizations of Federal emergency authorities, particularly those which occurred in 1958, 1961 and 1973, to determine the rationales for these actions and, by implication, the reasons why prior organizational structures were deemed unsatisfactory.

5. Intragovernmental Contacts. The Project kept close touch on a formal and informal basis with representatives of those Federal agencies having primary program interest in this area. Continuing emphasis was placed on consultations with those Members of Congress and Congressional staff with a jurisdictional or personal interest in the Project's subject matter.

6. Expert Consultation. The Project secured the pro bono services of a distinguished panel of fourteen individuals with a long and varied association with civil emergency preparedness programs and organizations. The group included the former heads of previous Federal emergency response organizations, former staff members of Congressional Committees with preparedness program interests, and members of the academic and research communities.

7. Public Involvement. The study group actively solicited comments and proposals from the general public and from groups and associations with an interest in this area. Approximately 200 letters have been received from Governors, State and local emergency services officials and other government officials, volunteer agencies, Members of Congress and others. Additionally, the group conducted regional meetings in Chicago, San Francisco, Philadelphia and Atlanta which were attended by a total of people for the purpose of receiving public views of and comment on the study's activities. A more detailed presentation of the project's activities in this area is contained in Appendix

B. Criteria Selected. The study, using as its primary basis the information gathered through the processes described above, developed the following criteria against which to test alternative organizations:

1. Minimize fragmentation and overlap of responsibilities. There is near unanimous agreement that the 1973 reorganization which abolished the former Office of Emergency Preparedness aggravated an already undesirable situation by fragmentating the major Federal civil emergency preparedness authorities among three subagency units (DCPA, FPA, FDAA).

Since each of these units has certain preparedness responsibilities, Federal agencies and State and local governments are subject to direction from three different Federal sources, each of which is concerned with the same functional area but approaches it from a different program perspective. This situation frustrates attempts to foster a comprehensive approach to emergency preparedness planning.

The study has determined that a similarly fragmented situation currently exists with respect to Federal authorities relating to natural hazard mitigation activities. It is apparent that the Federal Government lacks and needs a capability to adopt an "all-hazards" approach to its mitigation, planning, preparedness and response authorities.

2. Maximize authorities and enforcement capabilities. Federal organization for emergency preparedness activities proves that "what is everybody's business is nobody's business." The diffusion of authorities and program responsibilities permits policy guidance to be ignored or frustrated, and defeats attempts of State and local governments to determine the source of definitive policy guidance.

3. Maximize capability for centralized crisis management. There is currently no focal point at the Federal level for management of the full continuum of the national government's preparedness, relief and recovery responsibilities. In meeting situations which are not anticipated and specifically provided for in law, the Federal Government has relied on ad hoc structures, developed to meet particular contingencies and subsequently dismantled with the lessons learned and relationships developed lost - only to be redeveloped in a subsequent crisis. States and local governments need, and efficient emergency application of the panoply of Federal capabilities calls for, a clearly identified focal point for civil crisis information and management activities.

4. Minimize potential for policy conflict. As indicated earlier, the Congress has provided the Executive Branch with a wide range of authorities to mitigate, plan and prepare for, and respond to natural disasters and other civil emergency situations. The effective application of these authorities is hampered by their disbursal among a number of agencies, each of which has its separate reporting and funding relationships.

There is currently no institutional focal point in the Executive Branch at which divergent policy interpretations can be resolved, nor is there currently one agency which clearly has the ability to assume and maintain this role.

5. Maximize recognition of emergency preparedness and response as a national priority. The nature of emergency preparedness and response activities is such that they require the active support and involvement of State and local governments. At the same time, the nature of those programs designed to protect the civilian population and provide for the maintenance of civil government in the event of an attack upon the United States is such that it is difficult to sustain the necessary commitment of these levels of government.

As we have already noted, State and local governments take their cues in this area from the Federal Government. To the extent that the Federal organization for carrying out these programs appears fragmented and weak, other levels of government may be forgiven their unwillingness to commit scarce resources to attack preparedness.

6. Minimize involvement with competing functions and responsibilities. The fundamental authorities for Federal civil emergency preparedness and response programs are now lodged in organizations located in agencies with primary responsibilities in other functional areas. Inevitably, the primary missions of the Departments of Defense and Housing and Urban Development, and of the General Services Administration are going to claim the preponderance of management attention and resource allocation. Such an arrangement reinforces the perception that the Federal Government does not take its emergency preparedness responsibilities seriously.

7. Minimize the need for changes in legislation. A number of bills have been introduced by the Congress which propose organization or program changes affecting this area of study. Additionally, our study has found some areas in which amendment to current legislation would be an aid to more efficient program management. In the interest of prompt and efficient implementation of the recommendations contained in this study, however, it was our judgment that submission of a Reorganization Plan would be preferable to legislative amendment. Any necessary changes which require legislation can best be pursued by the head of the new organization at a later date.

8. Minimize program disruptions. Any change in existing program and reporting relationships may have undesirable short-term effects on rapidity of response and delivery of services to the public.

9. Maximize potential for public sector acceptance. A reorganization based on a "from the bottom up" approach must be sensitive to the problems identified by the interested publics, and deal with these problems in organization design proposals. Indeed, public contributions to the study have been critical to the design of the criteria themselves.

10. Minimize budget implications. To the extent possible the new organization should be designed to meet program responsibilities more efficiently and should not create anticipations that will lead to increased budget pressures.

C. Organizational Options. Having established the criteria set out above, the Project examined the possible alternative combinations of those three agencies (DCPA, FDAA, FPA) which have the fundamental authorities and functions being studied. For analytical purposes, it was presumed that each agency would retain, in the alternative combinations, the functions for which it is currently responsible. Each of these organizational options was then matched against the established criteria, in the process set forth below.

1. Status Quo. This option would retain the current organizational structure within the Federal Government to prepare for and respond to disasters. Responsibilities relating to preparedness for and relief of civil emergencies and disasters would remain with the Department of Housing and Urban Development, to be administered by the Federal Disaster Assistance Administration. Responsibilities for measures to ensure continuity of civil government operations in the event of an attack, as well as responsibility for resource mobilization including management of the national security stockpiles would remain with the General Services Administration with program management by the Federal Preparedness Agency. The national civil defense program would continue as a responsibility of the Department of Defense, with the management of the program in the Defense Civil Preparedness Agency.

a. Minimize fragmentation and overlap of of responsibilities. This option does not provide a national focal point for Federal emergency and disaster planning and coordination. The current organization fragments major responsibilities among a number of key agencies.

b. Maximize clarity of authorities and enforcement capabilities. Current authorities do not clearly define the separate responsibilities of FPA and FDAA in the area of planning and coordinating Federal response to emergencies. DCPA and FPA have unclear responsibilities in planning for civil preparedness in attack emergencies. This option does not foster policy enforcement and responsiveness across agency boundaries.

c. Maximize capability for centralized crises management. This option does not provide for centralized crisis management in either the natural disaster or national security area. There is no formal or continuous organizational structure or forum which provides for centralization of crisis management.

d. Minimize potential for policy conflict. Policy conflicts arise when no central authority coordinates independent agency policies and procedures. Case studies of recent natural disasters highlights the inability of the coordinating agency to adequately influence or direct agency responses. Because of policy differences and the absence of central policy direction, a competitive environment has developed rather than one of cooperation and mutual assistance.

e. Minimize need for changes in legislation. No changes required, criterion met.

f. Maximize recognition of emergency preparedness and response as a national priority. The present organization which distributes responsibility among several lower level officials belies any statement of national emphasis. There is no direction or program visibility which indicates national resolve.

g. Maximize potential for public sector acceptance. There is significant public sector dissatisfaction with the current structure. State and local governments, particularly those which have experienced a recent disaster, criticize the fragmented, uncoordinated response of the Federal Government to their disaster needs.

h. Minimize involvement with competing functions and responsibilities. Under the present organizational structure major emergency authorities are located in agencies with higher priority and non-complementary functions. This tends to downgrade attention to and support for emergency preparedness.

i. Mimimize program disruptions. No disruption. Criterion met.

j. Minimize budget implications. To the extent that the current structure does not provide for a central policy coordinating body which establishes program priorities, budget pressures are likely to remain diffused.

The Status Quo has resulted in the problems identified in Section II of this Appendix and is not considered to be an acceptable alternative.

2. Merge DCPA and FDAA. This option would involve combining functional responsibilities of DCPA and FDAA as well as policy, planning and coordination authority for federal disaster relief into one entity (a new agency or a sub-agency under an existing Department) and maintaining FPA functional responsibilities and policy planning and coordination authority for the Federal Government's continuity in a separate structure.

a. Maximize fragmentation and overlap of responsibilities. While a national focal point for all Federal disaster policy planning and coordination authority would not be established, this option would provide a more balanced and interlocking approach to relationships with State and local governments. FPA has minimum contact with State and local governments, but DCPA and FDAA both provide direct services to those units. Further, the same State agency is usually the recipient of those services.

b. Maximize clarity of authorities and enforcement capabilities. This option would clarify issues related to Federal support of State and local disaster preparedness efforts. However, FPA and FDAA both have a responsibility for planning and coordinating federal response to various but not clearly differentiated types of emergencies. Maintaining FDAA responsibilities in a separate structure would not clear up this confusion.

c. Maximize capability for centralized crisis management. Application of this criterion is similar to b above. Currently, the greatest overlap in crisis management responsibilities exists between FPA and FDAA.

d. Minimize potential for policy conflict. This option would reduce potential for policy conflict among Federal programs which address State and local government disaster preparedness. It would not, however, provide a forum for development of national policy encompassing both attack and disaster preparedness. Nor would it resolve potential conflicts between crisis management and disaster response.

e. Minimize need for changes in legislation. No legislation would be needed to implement this option. Legislative modifications to clarify the intent of Congress relative to the dual-use issue would be desirable, however.

f. Maximize recognition of emergency preparedness and response as a national priority. State and local officials and private citizens need to perceive that emergency preparedness and response has a national priority. That constituency is served primarily by FDAA and DCPA. With no change in the status of FPA, however, Federal agencies would still be subject to uncertain preparedness policy guidance.

g. Maximize potential for public sector acceptance. In order to insure that the potential effectiveness of emergency preparedness and response be readily recognized by the public, maximum exposure is required. With the exception of combining all three agencies, this option, because of the direct contact and visibility FDAA and DCPA have at State and local levels, would be most likely to gain State and local support.

h. Minimize involvement with competing functions and responsibilities. A combination of the two agencies would result in more concentrated leadership attention because of the political sensitivity of both programs.

i. Minimize program disruption. The degree of program disruption would depend primarily on internal organization and not external. Since some internal realignment would be required, some confusion could be anticipated.

j. Minimize budget implications. To the extent that a firm and consistent policy on the dual use of resources for civil defense and disaster relief could be developed and implemented, budget pressures could be restrained.

A consolidation of DCPA and FDAA would be a significant step toward reducing fragmentation of Federal preparedness assistance and response programs for natural disasters and attack emergencies. This would be of particular benefit to State and local governments. Under the Federal Civil Defense Act, as amended by PL 94-361, DCPA plans and administers the civil defense program with State and local governments to achieve a state of readiness for enemy attack (as its primary objective) and authorizes the use of civil defense resources for emergency response to peacetime disasters. FDAA administers the Disaster Relief Act of 1974 to assist States to prepare for the occurrence of natural disasters and emergencies and coordinates and directs the overall Federal response, including the administration of Federal aid, when a disaster strikes.

Unification of these authorities in one agency, including regional staffing for program implementation at the State and local level, would reduce fragmentation and overlap at the delivery points of Federal services. This consolidation could also improve coordination and implementation of Federal disaster relief programs by bringing together the planning resources of civil defense and the relief authorities of FDAA.

Excluding FPA from this merger, however, would perpetuate several identified problems. There would continue to be a fragmentation of Federal emergency coordination and planning responsibilities and authorities, specifically with respect to establishing uniform civil defense and national survival and recovery priorities and program objectives after an attack (now shared by DCPA and FPA) and in setting and coordinating the implementation of Federal agency emergency mobilization, preparedness and relief priorities and resource management policies in readiness for and response to natural or other peacetime emergencies (now shared by FDAA and FPA). This organization would not provide an effective focal point for establishing uniform and complementary emergency preparedness and disaster relief policies and programs. It would provide no basis for resolving policy and planning conflicts among Federal interagency emergency authorities. In summary, it fails to eliminate the confusion and misunderstanding which now exist at the policy and coordination levels.

3. Merge DCPA and FPA. This option would involve combining functional responsibilities of DCPA and FPA as well as policy, planning and coordination authority for federal continuity planning into one entity (under DOD or a civil agency) and maintaining FDAA functional responsibilities and policy, planning and coordination authority for Federal disaster assistance in a separate structure. No Federal focal point with all-risk hazard policy, planning and coordination authority would be established.

a. Minimize fragmentation and overlap responsibilities. This option would substantially reduce overlap and fragmentation in attack preparedness. It would consolidate pre, trans, and post attack planning in one agency so that comprehensive attack and national recovery planning could be better achieved. In combining DCPA and FPA, however, the separation of of attack preparedness from disaster preparedness would continue. The field perception of fragmentation between attack preparedness and peacetime emergency preparedness programs would not be addressed.

b. Maximize clarity of authorities and enforcement capabilities. As indicated in the criterion above, this option would bring together attack preapredness policy and operations by combining DCPA and FPA under a single official. Department of Defense studies and Congressional hearings, however, indicate that the primary concern of most of the electorate, the legislators and the officials of State and local jurisdictions is about protection against the effects of natural disasters and other peacetime emergencies. These threats are perceived as being more immediate than the prospects of nuclear war. This option may improve attack preparedness authorities by organizational merger but does not resolve the natural disaster concerns of State and local governments.

c. Maximize capability for centralized crisis management. This option does consolidate the attack preparedness management structure. It does not, however, provide a single focal point to State and local governments for all preparedness and response activities nor does the merger adequately resolve such other emergency preparedness issues as dual-use.

d. Minimize potential for policy conflict. Executive Order 10952 assigns to FPA responsibilities for "advising and assisting" the President in determining civil defense policy, for directing and coordinating the overall civil defense program. The disagreement between FPA and DCPA is over the role the former agency is to play in providing civil defense policy guidance to DCPA. This option partially satisfies the criterion by placing all policy determination authority in one agency, thereby decreasing the potential for policy conflict--but only for attack preparedness. In a broader context, this option would not minimize the policy conflicts between attack preparedness and peacetime disaster preparedness.

e. Minimize need for changes in legislation. No legislation would be required to implement this option.

f. Maximize recognition of emergency preparedness and response as a national priority. This option is not compatible with the criterion because it continues the separation of attack and peacetime emergency preparedness programs. In addition, a solution of the dual-use issue would not be forthcoming from a merger of DCPA and FPA.

g. Maximize potential for public sector acceptance. The State and local governmental officials who are interested in civil defense and peacetime preparedness programs find it difficult to pinpoint functional responsibilities and points of contact. These conditions tend to support perceptions by the public of fragmentation among civil defense and related preparedness programs. This option reinforces this perception of fragmentation by addressing only attack preparedness at the expense of an integrated Federal approach to attack and peacetime emergency preparedness programs.

h. Minimize involvement with competing functions and responsibilities. The merger of DCPA and FPA would partially meet this criterion, more so if the merged organization was not placed within DOD or GSA. In a broader context, however, adoption of this option would not preclude continued competition with peacetime emergency preparedness requirements.

i. Minimize program disruption. Partially meets the criterion by merging those programs which have the closest functional relationship.

j. Minimize budget implications. This option would not significantly impact the budget, since it would continue the separation of the two programs which relate to State and local constituencies, from which budget pressures will most likely come.

A consolidation of DCPA and FPA would help to clarify and provide consistency to Federal coordination, planning and programming for national emergencies such as an enemy attack. It could significantly improve program performance at the Federal level where departmental support, commitment and accountability to national emergency assignments has been haphazard and ineffective because of the poorly defined objectives of DCPA and FPA.

This option does not resolve the overall Federal emergency coordination and planning difficulties which now exist because of segregation of FPA and FDAA authorities. The fragmentation between civil defense planning functions (DCPA) and peacetime disaster preparedness and emergency relief responsibilities (FDAA) would be continued notwithstanding a unanimous appeal by State and local public officials that this fragmentation be eliminated.

4. Merge FPA and FDAA. This option would involve combining the functional responsibilities of FPA and FDAA as well as policy, planning and coordination authority for all Federal civil emergency programs into one entity. DCPA functional responsibilities would be left under DOD authority.

a. Minimize fragmentation and overlap of responsibilities. The option does not satisfy this criterion well. While it does combine in one agency the fundamental authorities for civil emergency preparedness activities, it does not address the perception of fragmentation between attack and natural disaster preparedness programs and in disaster response and relief operations in the field.

b. Maximize clarity of authorities and enforcement capabilities. As indicated above, the option will bring the major authorities in this area under one organization and is thus well designed to satisfy the first part of this criterion. It does not adversely affect FDAA's ability to marshall the resources of the Federal Government in responding to natural disasters. However, on the basis of both prior experience and present appropriation structures, this option does not resolve the present inability of FPA to exercise effectively its delegated authority over national civil defense policy.

c. Maximum capability for centralized crisis management. This option would create an organization with appropriate authority, broad program cognizance, and a limited field capability; all of which would be useful in meeting this criterion.

d. Minimize potential for policy conflict. This option satisfies this criterion in the formal sense by placing all policy-determination authority in one agency. In the operational sense it will not satisfy the criterion to the extent that DOD would continue to use its operational control of civil defense programs to make civil defense policy de facto.

e. Minimize need for changes in legislation. One of the continuing differences of opinion in the administration of preparedness programs at the State level of government revolves around the "dual-use" issue, or the extent to which funds appropriated for nuclear attack preparedness purposes can or should be used to achieve collateral benefits for day-to-day emergency response functions and organizations. This dispute is one of the fundamental issues which led to the need for a reorganization study. This difference can be obscured by a change in policy or eliminated by a change in legislation.

Drawing on the thesis developed in the discussion of criterion d, above, a policy resolution could not be anticipated under this option, and a legislative change would be desirable. To this extent, the combination of FPA and FDAA would not satisfactorily meet this criterion.

f. Maximize recognition of emergency preparedness and response as a national priority. The option is not responsive to this criterion, primarily because it continues the separation of the preparedness programs of DCPA from those of FPA and FDAA. This continued separation is particularly undesirable in view of the "dual-use" controversy discussed above.

g. Maximize potential for public sector acceptance. Public sector acceptance will be conditioned upon the degree to which the Federal Government speaks and acts with a unity of purpose on emergency preparedness and response matters at the State and local level. By continuing the division between attack and natural disaster programs and policies, this option will not satisfy this criterion.

h. Minimize involvement with competing functions and responsibilities. The option meets the criterion only partially, since it presumes retention of the civil defense program by DOD.

i. Minimize program disruption. Since FDAA's programs have traditionally been minimally sensitive to their organizational location, and since FPA's programs have negligible impact outside the Federal structure and are flexible with respect to their movement within the Federal structure, exercise of this option would have minimal impact on the ongoing programs of the respective agencies.

j. Minimize budget implications. This option will not significantly impact the budget for the same reasons discussed in option 3, above.

The consolidation of FDAA and FPA would unify under one agency all major authorities and responsibilities for planning, coordinating and establishing Federal programs to prepare for and respond to both national emergencies and natural disasters. This would include setting overall civil defense program goals and objectives to be administered by DCPA in DOD. This merger would reduce the current fragmentation in authorities to coordinate emergency planning and disaster relief programs of the Federal departments and agencies. Also, it would provide an overall policy and coordinating focal point for Federal activities for protection of and assistance to the civilian population.

However, as in option 3, this consolidation would not eliminate the greatest concern of State and local governments, which is the splintering of Federal preparedness programs conducted principally by DCPA from the Federal disaster relief activities administered by FDAA.

5. Merge DCPA, FPA and FDAA. This option would involve a consolidation of functional responsibilities of the three agencies, as well as policy, planning and coordination authority for all Federal emergency preparedness and response planning (Federal continuity planning and Federal disaster assistance planning) into one entity (either within an existing Department or as a separate new agency). Under this option, the focal point for all Federal disaster policy, planning and coordination authority would be the new agency.

a. Minimize fragmentation and overlap of responsibilities. Of th options considered, this option best meets this criterion. It would consolidate Federal policy, planning, coordinating and operating authorities and resposibilities for both attack and peacetime emergencies in one organization. This would significantly enhance the probability that these responsibilities would be implemented in a uniform and consistent manner.

b. Maximize clarity of authorities and endorcement capabilities. This option meets this criterion. It would minimize inconsistent interpretations of authority in establishing comprehensive Federal policy on an interagency basis for both attack readiness and peacetime emergency preparedness, and would clarify the Federal role in assisting the emergency preparedness and relief efforts of State and local governments. It would also provide a basis for clear assignments of responsibility and accountability among Federal departments and agencies whether in support of attack or peacetime preparedness requirements.

c. Maximize capability for centralized crisis management. This option would provide a focal point for Federal crisis management and a single source of authority for State and local governments to turn to. It would assure that uniform and consistent crisis support policies were developed.

d. Minimize potential for policy conflict. This option, of those being considered, would be most effective in meeting this criterion. A structure which consolidates the policy authorities of the three agencies should eliminate policy differences with respect to attack and peacetime preparedness assistance relief.

e. Minimize need for changes in legislation. Consolidation of the three agencies requires no change to legislative authorities. However, a redistribution of functions on the order necessary to implement this option requires submission of a Reorganization Plan under the President's reorganization authorities.

f. Maximize recognition of emergency preparedness and response as a national priority. The current organizational locations of DCPA, FPA, and FDAA do not enhance the national image of their programs. Each is looked upon as an appendage of its department or agency. A Federal agency encompassing the activities of the three agencies, with its own program statement and budget authority would be looked upon as having more authority and stature and could more effectively establish a base for public awareness of Federal emergency programs.

g. Maximize potential for public sector acceptance. This option will receive strong public sector support. Consolidation of the three agencies has been proposed in several bills before the Congress, recommended in Congressional studies, endorsed by most Governors, and supported by State and local civil defense associations.

h. Minimize involvement with competing functions. This option satisfies this criterion better than the other options under consideration. The three agencies considered for reorganization are located within large agencies which have responsibilities for a broad range of national initiatives and priorities. This has caused emergency planning, preparedness and relief programs to compete for top management attention, and resource dedication with other programs of national significance. This has diffused needed management oversight for these programs. In a consolidated agency charged with these responsibilities, this would tend less to be the case.

i. Minimize program disruption. This option does not fulfill this criterion. A consolidation of the three agencies could result in disruption of on-going efforts, particularly in the short-term.

j. Minimize budget implications. A consolidated agency will provide a focal point for civil emergency preparedness and response constituencies. Pressures for budget increases will be less easily diffused.

6. EOP oversight for options 1 through 5. EOP oversight would place final responsibility for monitoring and guiding, as necessary, all Federal emergency policy, planning, coordination, and response with a staff in the Executive Office of the President. Although the dimensions of the task might vary, depending on which of options 1 through 5 is adopted, the nature of the responsibility would not vary. The following is based on the assumptions that the EOP oversight authority would be significant and well defined, and that oversight, as defined above, would be the only function of the EOP oversight staff.

a. Minimize fragmentation and overlap of responsibilities. Assuming that unnecessary and unacceptable fragmentation and overlap presently exist, EOP oversight could (a) facilitate efforts to coordinate decision making and assistance activities; (b) minimize redundant activities; and (c) help clarify responsibilities for all functions. Fragmentation could increase if the EOP oversight assumed powers beyond its mandate.

b. Maximize clarity of authorities and enforcement of capabilities. If the is accepted, EOP oversight should be able to resolve questions of authority or jurisdiction. Any one of options 2-5 would provide the opporutnity for authorities to be stated clearly through the reorganization process. In all instances, an EOP oversight should be able to establish accountability amoung agencies with preparedness and response assignments.

c. Maximize capability for centralized crisis management. With the exception of Option 5, EOP oversight would best provide a Federal focal point for crisis management. This would be especially relevant to Options 1-4, which maintain authorities in separate agencies and leave open opportunities for interagency disputes.

d. Minimize potential for policy conflict. EOP oversight could coordinate policy formulation and therefore minimize policy conflict in options 1-4. This would not be as necessary for Option 5. EOP oversight could provide an objective and detached view which could contribute to the effective resolution of policy conflict. (A potential problem -- this might bring policy conflict too close to the President.

e. Minimize the need for changes in legislation. EOP oversight could be implemented without any legislation and seems to have some Congressional support.

f. Maximize recognition of emergency preparedness and response as a national priority. The lodging of oversight responsibilities in the EOP would emphasize the priority of emergency preparedness and response programs.

g. Maximize potential for public sector acceptance. There seems to be substantial support in Congress and at the State and local level for a continuing EOP oversight role to assure rapid mobilization and effective coordination of Federal resources for meeting emergencies.

h. Minimize involvement with competing functions and responsibilities. The oversight option lodged in EOP would not necessarily minimize involvement with competitive functions for option 1, but might for options 2-5. This depends largely on the powers of the EOP oversight staff.

i. Minimize program disruption. Oversight by EOP would tend to minimize program disruptions for all options.

j. Minimize budget implications. This option would likely have the same effect as option 5.

While this option can be implemented with minimum disruption to current relationships it was not considered acceptable because it would enlarge the EOP staff and would separate coordination and planning from administrative and operational functions to an extent that could increase, rather than reduce, policy friction.

V. RECOMMENDATION FOR CONSOLIDATION/SECONDARY OPTION

This option most satisfactorily fills the requirements of all the criteria except two: it will not minimize program disruption, particularly at the field level where program coordination and delivery takes place (the status quo option most satisfactorily meets this criterion), and it will not minimize potential budget pressures (combination of these programs into a single agency will imply an increased emphasis and a concommitant willingness to spend more money). On balance, however, the Project cannot find that these objections outweigh the benefits to be gained in satisfying the remaining criteria.

The next preferred option--the combination of FPA and DCPA and the maintenance of FDAA as a separate organization--is strongly preferred by those whose concerns revolve around the distractions for defense emergency planning which day-to-day disaster response requirements represent. The study did not choose to pursue this option for reasons which are central to the justification for a consolidated agency. As mentioned earlier, the fundamental purpose of government is to protect its citizens against calamity. The Federal Government cannot meet this responsibility alone--it must be able to depend on the willingness and ability of State and local governments to devote some of their own resources to this end.

Given the nature of our democratic system, these governments will most willingly respond to the need for resources to meet credible threats such as floods, fires, tornadoes, and earthquakes--situations in which there is visible and demonstrable benefit derived from the commitment of these resources. This is not the case, however, with respect to the threat which is less immediate but ultimately more devastating--a nulcear attack upon the United States. The study demonstrates conclusively that States and local governments are willing to devote resources to preparations for this eventuality only under one of two conditions: (1) the Federal Government pays 100 percent of the cost, or (2) there is a demonstrable dual benefit of attack preparedness programs which can be applied in meeting the effects of natural disasters.

The Project concludes that segregation into different agencies of natural disaster preparedness and response activities and war preparedness programs dooms the latter to half-hearted and ineffectual implementation in the absence of a commitment by the Federal Government to assume the entire fiscal burden.

VI. INDEPENDENT ORGANIZATION/ADDITIONAL FUNCTIONS

The Project has found a broad consensus on a number of points which support the recommendation that the programs and functions of DCPA, FDAA and FPA be included in an independent agency.

- To accomplish their goals, mitigation and emergency preparedness programs require a continuity of emphasis and attention which will not be achieved so long as they must compete for management attention in organizations for which these programs are of a secondary nature.

- Within the Executive branch there is need for a strong, consistent voice in support of Federal continuity of government programs. The image of these programs, for which there is no natural constituency, will be enhanced by their incorporation in an independent agency.

- The nature of attack preparedness programs is such that if they are to achieve their purposes, a clear statement of Federal intent in this area is necessary. The creation of an independent agency in which these programs play a major role will be such a statement.

Given the Project consensus that it is rational to consolidate the fundamental emergency preparedness and response authorities currently in DCPA, FDAA and FPA, attention was focused on the emergency preparedness and response activities and programs of other Federal agencies to determine their appropriate relationship to the proposed organization. It became apparent that there are a number of authorities and programs relating directly to the core functions of the proposed new agency which should be included as part of its responsibilities. These are discussed in detail in Appendices through

It is clear that an agency which has as its sole focus the planning and preparedness for events such as nuclear attack, which have little apparent relevance to the normal concerns of the American people, is doomed to be ineffectual regardless of the organizational prestige accorded to it by its placement in the Executive branch. To be credible, the organization must have relevance. To be relevant, it must have responsibility for programs which call for production of tangible results in response to "real world" needs.

In our Federal system, and most particularly with regard to the programs examined by this study, much of what is accomplished depends on the understanding, willingness and active involvement of State and local governments. In an independent organization in which is incorporated the entire spectrum of emergency services concerns, from mitigation through preparedness, to response and recovery, the possibilities are greatly enhanced for development of empathetic relationships with the State and local organizations which must ultimately determine the success or failure of preparedness and response programs.

B

HISTORICAL SURVEY OF FEDERAL ORGANIZATIONAL ARRANGEMENTS FOR CIVIL EMERGENCY PREPAREDNESS AND RESPONSE

I. Introduction

The central purpose of this historical survey is to seek to derive lessons from experience of past reorganizations that may help to guide a sound choice among organizational alternatives for the future. There is a large volume of background materials available, but it is somewhat unevenly distributed in terms of historical periods covered and of substantive content. The survey seeks to avoid leaving significant gaps in our knowledge of what has gone before, where such knowledge would be relevant in influencing future organizational decisions.

Conceptually, there are three major components of the total civil emergency preparedness and response activity:

(1) War-related measures (or national security measures) such as civil defense, continuity of government, and resource management measures--the latter including industrial mobilization, materials stockpiling and economic stabilization planning.

(2) Disaster preparedness and response measures related mainly to natural disasters.

(3) An intermediate category of civil emergency preparedness and response measures, not necessarily related either to wartime contingencies or to natural disasters, but related to man-made situations such as

threats or acts of terrorism, peacetime nuclear emergencies, or critical shortages or disruptions of essential resources or services such as petroleum, electricity, or transportation.

This paper will present as background a resume of the evolution in the United States of programs dealing with the three categories of emergencies described above. It will trace briefly the organizational history related to these programs. But it will concentrate mainly on identifying the rationales associated with major reorganization proposals and decisions, on analyzing the strengths and weaknesses of alternatives considered, and on describing why various solutions previously tried were judged to be unsatisfactory. Particular attention will be focused on the reorganizations of 1958, 1961, and 1973. The objective of the survey is to identify, if possible, principles or patterns from earlier experience that may help illuminate the path toward an organizational solution that will work effectively in 1978 and the years ahead.

II. Evolution of War-Related Civil Emergency Preparedness in the United States

Origins

Currently, the principal Federal war-related civil emergency preparedness functions in the United States are divided between the Federal Preparedness Agency in the General Services

Administration and the Defense Civil Preparedness Agency in the Department of Defense. The programs administered by those agencies, and the organizational placement of those programs, are the outgrowth of a complex historical experience, representing efforts over the years to provide plans and preparations to protect lives and property and to manage the country's resources in wartime emergencies. These plans and preparations are concerned with the survival and perpetuation of national institutions (e.g., continuity of government), with the adequacy of the Nation's vital resources (including emergency programs for manpower, health, food, fuel, transportation, communications and production), and with support to civilian and military needs in time of war or other national security emergencies (including industrial mobilization) and with civil defense (which concerns emergency operations to save life and property in the event of actual attack).

The first elements of what later became known as civil emergency preparedness in the United States had their origins during World War I, when for the first time it became possible for a nation at war to bypass military forces in the field and attack by air civilian populations and industrial facilities. No such threat to the United States materialized, of course, and no actual civilian protection measures were undertaken during World War I. There was, however, extensive economic mobilization activity under the War Industries Board, headed

by Bernard Baruch. After the war, the need for advance preparation of industrial and economic mobilization plans for use in the event of future hostilities was generally recognized, and the National Defense Act of 1920 charged the Assistant Secretary of War with peacetime responsibility for industrial mobilization planning. Two years later, the Army-Navy Munitions Board was established to aid in carrying out this responsibility. The first organized effort at planning for industrial mobilization was thus carried out under military sponsorship.

World War II brought considerable attention to bear on the civil defense problem, and gave the United States far-ranging and intensive experience with industrial mobilization under actual emergency conditions. As early as May 1941, a Federal Office of Civil Defense was established by Executive Order, and New York Mayor Fiorello LaGuardia became its first Director. Progress in developing a program was slow, particularly since Mayor LaGuardia served only on a part-time basis. Soon after Pearl Harbor, President Roosevelt appointed James M. Landis Director of the Office of Civil Defense in an effort to revitalize the program. But the absence of an actual threat to the civilian population made it increasingly difficult to sustain a high level of activity and in 1945 the Office of Civil Defense was abolished. In spite of the difficulties encountered by the program, some hundreds of thousands of volunteers gave of their time and energy during the war years.

World War II also was a period of intensive experience with industrial mobilization, resulting from the basic wartime condition that demand exceeded supply. Despite two decades of planning following World War I, the nation again moved by uncertain steps to improvise economic controls and to establish control agencies. The need for a central mechanism to relate the work of the various agencies charged with control functions was probably not fully appreciated.

The Early Post-World War II Period

As World War II drew to a close, strong arguments were advanced for the establishment of a permanent emergency planning agency to deal with industrial and economic mobilization problems on an ongoing basis. The Chairman of the War Production Board, for example, in transmitting to the President his final report in November 1945, stated that we "must take steps now to capitalize on the know-how gained in this war to maintain up-to-date plans for rapid mobilization for the next emergency." He recommended the establishment of a "skeletal" peacetime organization, charged specifically with the development of plans for such wartime industrial mobilization as might be required in the future. His letter to the President included these highly significant passages: "Just as you have military agencies under your direction developing the strategic plans to cover the eventuality of war, it is essential that you

have a civilian agency in the Executive Office to develop and keep current a practical plan for promptly mobilizing the economy in case of an emergency. The broad questions of public policy that will confront such an agency are too important to leave for decision at lower levels of the government; and they go too much to the very structure of our society to permit their removal from immediate civilian control." (Emphasis supplied.)

As an outgrowth of World War II experience, the National Security Resources Board (NSRB)* was established by the National Security Act of 1947, reporting directly to the President. This first permanent civilian peacetime mobilization planning agency, whose Chairman was a statutory member of the National Security Council, was made a part of the Executive Office of the President by Reorganization Plan 4 of 1949. The functions of the NSRB were to advise the President concerning the coordination of military, industrial, and civilian mobilization, including such facets as effective use in time of war of manpower and materiel, stabilization of the civilian economy in time of war, establishing reserves of strategic and critical materials, strategic relocation of industries and other facilities, and continuity of government.

*The Board consisted of a Chairman and such heads or representatives of various Departments and agencies as were designated by the President. The Chairman was a spokesman on the effects of national security activities on the civilian economy.

Meanwhile, intermittent attention was given to the problem of civil defense organization at the Federal level. When the Office of Civil Defense was abolished in 1945, the Army had inherited responsibility for the program. Late in 1946, a board headed by Major General Harold R. Bull, U.S. Army, undertook a study of civil defense in the United States. Early in 1947, the Board recommended that the Army be relieved of its civil defense responsibilities and that a separate civil defense agency be created which would report directly to the (then proposed) Secretary of Defense. An Office of Civil Defense Planning, under the directorship of Major General Russell J. Hopley, was established in the Department of Defense in March 1948. The Office of Civil Defense Planning issued a report in October 1948 proposing the establishment within the Executive Branch of the Federal Government of an "Office of Civil Defense" headed by a Director who should be a civilian of outstanding ability and qualifications and who should report directly either to the President or the Secretary of Defense.

The Hopley report suggested placing basic responsibility for civil defense in the States and communities. It also encouraged the use of the civil defense organization for natural disaster work, as had the Bull report.

President Truman considered, however, that a permanent civil defense office was not needed at the time, and in March

1949 he transferred responsibility for civil defense planning to the NSRB. An NSRB review of the civil defense problem resulted in the creation late in 1950 of an agency called the Federal Civil Defense Administration (FCDA) within the Office of Emergency Management, Executive Office of the President. This action was followed promptly by enactment of the Federal Civil Defense Act of 1950, which established FCDA by statute as an independent agency. The Federal Civil Defense Act of 1950 sets forth the intent of the Congress "to provide a plan of civil defense for the protection of life and property in the United States from attack." Civil defense is defined in the Act as activities and measures to minimize the effects upon the civilian population of attack on the United States, dealing with emergency conditions which would be created by such an attack, and undertaking emergency repair and restoration activities related to vital utilities and facilities destroyed or damaged by such an attack. FCDA remained a separate Federal agency until 1958.

The NSRB had just begun to function as a planning and advisory agency when hostilities broke out in Korea in June 1950. The NSRB was not designed to carry out the active operational responsibilities required by U. S. involvement in military hostilities. In late 1950, the Office of Defense Mobilization (ODM) was created by the President, as a part of

his Executive Office. The President vested in ODM, the Defense Production Administration, and a number of other constituent production and economic control agencies responsibility for directing the broad economic and production control measures which had been granted to him by the Defense Production Act of 1950. The Director of Defense Mobilization directed, controlled and coordinated mobilization activities of the Executive Branch, including production, procurement, manpower, stabilization and transport. The Defense Production Act contained a wide range of authorities to strengthen the mobilization base, produce military goods, control and stabilize the economy, and in general to mobilize the Nation's resources in support of the war effort. But the creation of ODM, with these important defense mobilization authorities, left the status and role of the NSRB unclear.

In April 1953, with the Korean War nearly over, the President sent a message to the Congress pointing out the undesirability of the existence in the Executive Office of the President of the two related agencies, NSRB and ODM. By Reorganization Plan, the President then created a new ODM, within the Executive Office, and transferred to it all the functions of the former ODM, all the functions that had been exercised by NSRB, and also the responsibilities for stockpiling pursuant to the Strategic and Critical Stock Piling Act of 1946. The Director of the new ODM became a member of

the National Security Council. Thus, all the basic resource mobilization planning and advisory functions that had been vested in NSRB in 1947 were brought together with the coordinating responsibilities that had been exercised by ODM to meet the mobilization requirements of the Korean War.

Incidentally, in sending forward his April 1953 reorganization plan, the President endorsed the concept of combining within the same institutional framework the planning and direction of both current national security programs and of readiness for any future national emergency. "The progress of the current mobilization effort," he observed, "has made plain how artificial is the separation of these functions." The new ODM thus emerged, effective in June 1953, as a single staff arm responsible for assisting the President in carrying out the central leadership, direction and coordination of the readiness and mobilization programs of the Federal Government.

In 1953 and in succeeding years, the new ODM was given added mobilization responsibilities, including such matters as procurement under the Buy American Act of 1933, the national security aspects of imports under the Trade Agreements Extension Act of 1955, advice to the President on government telecommunications activities pursuant to the Telecommunications Act of 1944, and acquisition of material for the supplemental

stockpile under the Agricultural Trade Development and Assistance Act of 1954. Thus, by the middle of the 1950's, there had been centralized in ODM the responsibility for coordination of all major Federal civil emergency preparedness programs except civil defense. As will be described later, disaster assistance functions during that period were placed along with civil defense in FCDA.

The Reorganization of 1958

From 1953 to 1958, there existed two major agencies in the Federal Government concerned with civil emergency preparedness: the Office of Defense Mobilization and the Federal Civil Defense Administration. ODM was concerned during that period mainly with developing mobilization plans to meet conventional war conditions, although its planning gradually tended to give more attention to the consequence of nuclear attack on the United States. ODM's approach assumed wide use of Federal agencies which would carry out mobilization functions from the national level, using the Federal field organization as necessary. Meanwhile, FCDA based its civil defense plans on the assumption that an emergency would start with a nuclear attack on the United States. Its principal concern was with the protection of life and property immediately following an attack. FCDA's approach was to work closely with State and local civil defense officials. This was in consonance with the Federal Civil Defense Act of 1950, which declared that it

was the policy and intent of Congress that the responsibility for civil defense shall be vested primarily in the several States and their political subdivisions.

In due course, both FCDA and ODM adopted the practice, pursuant to their respective authorities, of delegating or assigning responsibilities to other Federal agencies. Complaints developed from these agencies that FCDA and ODM sometimes asked them to perform duplicating, and in some instances conflicting, functions. This organizational problem came to the attention of the House Committee on Government Operations as early as 1956; in that year it was proposed that a permanent Department of Civil Defense be created, combining the civil defense functions of FCDA and ODM. In 1957, the Gaither Report (entitled "Deterrence and Survival in the Nuclear Age") also drew attention to the overlap that had developed between ODM and FCDA functions. The stage was thus set for a major reorganization in 1958.

Late in 1957, the Bureau of the Budget contracted with a management consultant firm, McKinsey and Company, to study the whole problem of nonmilitary defense in the United States. This study concluded, inter alia, that:

- Federal responsibility for nonmilitary defense cannot be divided effectively for organizational purposes

o Nonmilitary readiness is so vital, and the emergency actions required so significant, that continuous Presidential action is required

o Existing Federal, State and local governmental machinery must constitute the basic structure to manage available resources and provide essential services following an attack

o An organization is needed to assist the President in the discharge of nonmilitary defense functions

o A staff agency for this purpose should remain in the Executive Office of the President. This agency should concentrate on planning and coordinating nonmilitary defense preparedness measures that would, by Presidential delegation, be carried out by established departments and agencies of the Government.

o The director of the key coordinating agency, relieved of the burden of supervising operating functions, would be in a position to assume his proper role as principal advisor on the readiness of the nation's nonmilitary defenses

The report concluded that:

> "in most areas of nonmilitary defense planning, confusion or duplication exists among the organizations involved in that planning. No precise and accepted definition indicates who shall be responsible for essential activities in the event of an attack. In total, this Nation lacks the organizational arrangements needed for developing a consistent, well-defined program for surviving and recoverying from a massive nuclear attack."

Three main organizational concepts were considered as alternatives by the McKinsey report: (a) the dual command concept, represented by the existing ODM--FCDA arrangement; (b) the executive department concept, which had been recommended by the House Military Operations Subcommittee; and (c) the Executive Office concept, which was adopted in Reorganization Plan No. 1 of 1958 described below. The McKinsey report had satisfied itself that the dual command concept was directly responsible for much of the confusion and duplication existing in nonmilitary defense planning in the middle 1950's, and concluded that this alternative was unacceptable.

The McKinsey report then listed the advantages in giving civil defense departmental status:

(1) Greater acceptance of the need for nonmilitary defense would be encouraged, with resultant developments of in-being postattack capability at State and local levels.

(2) A focal point would be provided for direction and coordination of programs to reduce vulnerability and increase the Nation's readiness to survive an attack.

(3) Prestige of the agency would be enhanced in the eyes of the public and among other Federal agencies.

(4) Morale in the agency would be raised.

(5) Cabinet status for the head of the agency would be permanently settled.

(6) Financial support might be more easily gained.

On the other hand, the McKinsey report saw the following disadvantages attaching to departmental status:

(1) Duplication in sources of policy guidance and direction of other agencies still would remain (presumably as between the President's Executive Office and the department head), causing continued confusion and retarding efforts to develop postattack capability.

(2) The new department would face the same problems of gaining acceptance for, and compliance with, its delegations to other agencies, or it would be forced into uneconomical duplication of activities. Older coequal departments would not readily accept monitoring and direction of their activities by a new department.

(3) Departmental status would tend to freeze the organizational structure, or at least slow up organizational changes because of the need to submit them for legislative approval. The President's ability to modify organizational arrangements for quick adaptation to new conditions would be retarded.

The McKinsey report then concluded that the proposal for a Cabinet department was based on "questionable assumptions" and raised "serious doubts that this alternative would solve the organizational problems of the Federal Government's nonmilitary defense activities."

Finally, the McKinsey report considered (and endorsed) the Executive Office concept, predicated on the assumption that policy guidance, direction, and coordination should be forthcoming by or in the name of the President, and that "operational" or "specialized" functions should be placed in agencies suitable for performing them.

The advantages of the Executive Office arrangement were said to be these:

(1) Greater assurance would be provided that plans for the entire nonmilitary defense job would be integrated and consistent. The President would have direct and readily accessible staff assistance for the whole gamut of his nonmilitary defense responsibilities.

(2) By locating responsibility for planning and coordinating all nonmilitary defense activities in the Executive Office of the President, greater stature would be given to those charged with supervising the Federal departments and agencies performing assigned functions.

(3) Attention would be focused on the importance of the job to be done, and greater public awareness would be created.

(4) Policy guidance and direction from a single source would reduce confusion resulting from dual and sometimes conflicting assignments to Federal departments and agencies and establish the importance of the delegated assignments.

(5) Maximum use would be made of existing departments and agencies. A simpler framework would be created for expediting formulation of policy and for settling questions as they arise, thus promoting the development of realistic plans and giving greater assurance that Federal departments and agencies would be prepared to perform effectively in emergencies.

(6) The President would have flexibility in changing delegations and in modifying the organizational structure quickly to meet new needs in rapidly changing circumstances.

Two possible bases of criticism against this plan were mentioned:

(1) As a proponent for nonmilitary defense, the new agency in the Executive Office of the President might not be able to serve effectively in resolving conflicting claims for critical resources.

(2) The new agency would be charged with certain functions not traditionally performed within the Executive Office, such as informing the public and training State and local civil defense leaders, which would involve direct relations with governors and mayors and maintenance of a substantial field staff.

Responding to the first point, the McKinsey report maintained that central programming and allocation of certain basic resources were very limited during World War II and the Korean conflict, that the Federal departments and agencies for the

most part could perform these programming and allocating functions for resources within their jurisdictions, that in the event of a limited war there would be time to build up whatever central controls would be necessary, and that in the event of a nuclear attack on the United States such central controls would not likely be operative for many months after the initial attack. Stating that it was not practicable to maintain standby central programming and allocation machinery over a long cold-war period, the report conceived that the new agency could plan for the establishment of such machinery without necessarily functioning in that capacity.

As to the second point, the report noted that the function of keeping the public informed of the nature of the threat is appropriate to a central directing and coordinating agency, and during World War II emergency agencies in the Executive Office of the President discharged comparable responsibilities without adverse results.

In summary, the McKinsey report concluded that the Executive Office alternative offered a sound basis for remedying present organizational deficiencies and was better than the other alternatives discussed.

Reorganization Plan No. 1 of 1958 was transmitted to the Congress in April 1958. It followed literally the McKinsey recommendation that steps be taken by means of a reorganization plan to (1) transfer to the President functions vested in ODM and FCDA, (2) abolish those agencies, (3) authorize the

President to delegate functions, (4) create a new agency* in the Executive Office, (5) staff it with a Director, Deputy Director, and other high-level assistants, (6) make the new Director a member of the National Security Council, and (7) transfer the Civil Defense Advisory Council to the new agency.

In sending the 1958 reorganization plan to the Congress, President Eisenhower said:

> "Initially, the Office of Defense and Civilian Mobilization will perform the civil defense and defense mobilization functions now performed by the Office of Defense Mobilization and the Federal Civil Defense Administration. One of its first tasks will be to advise me with respect to the actions to be taken to clarify and expand the roles of the Federal departments and agencies in carrying out nonmilitary defense preparedness functions. After such actions are taken, the direction and coordination of the civil defense and defense mobilization activities assigned to the departments and agencies will comprise a principal remaining responsibility of the Office of Defense and Civilian Mobilization."

In testifying on the proposed reorganization, the Director of ODM, Mr. Gordon Gray, commented as follows: "The role of the Office of Defense and Civilian Mobilization, at best, will be one of direction, coordination, and stimulation of all of the many efforts throughout the country which go to make up mobilization readiness. This direction, coordination, and stimulation can best be done by an agency which is as close to the President as possible."

Thus in 1958 all major civil emergency preparedness and response programs at the Federal level were consolidated in

*The Office of Defense and Civilian Mobilization; its title was changed a few months later to the Office of Civil and Defense Mobilization.

one agency in the Executive Office of the President. The coordinating responsibilities for civil defense and mobilization planning were thus placed in a direct and close relationship to the President. But some troubling questions remained. In recommending approval of the Reorganization Plan, the Military Operations Subcommittee of the House Committee on Government Operations pointed out that "this plan should be considered as a trial effort by the President in a complex and difficult area of federal activity." The subcommittee suggested that it would be important to watch for answers to the following questions:

(a) Will the transfer of authority under the plan be real or nominal, as far as the President's personal supervision is concerned?

(b) Will this plan cause a breakdown of the organizational base for civil defense and dispersal of these functions by delegation even more widely than they are now dispersed?

(c) Will the new Office of Defense and Civilian Mobilization, acting for the President, be able to ride herd on Government agencies performing delegated functions and to bring about concerted effort and systematic progress?

(d) Will the Executive Office of the President be able to accommodate "operating" and field functions?

These questions remain relevant and in fact at least partially unanswered even today.

Also in 1958, the Federal Civil Defense Act was amended; civil defense was declared to be the joint responsibility of the Federal Government, the States, and their political subdivisions, whereas earlier legislation had emphasized only the responsibilities of State and local authorities. This laid the groundwork, at least in principle, for a more vigorous Federal role in civil defense.

The Reorganization of 1961

OCDM had been established as a consolidated agency in 1958, primarily to get rid of the duplication that had existed when civil emergency preparedness functions were divided between FCDA and ODM. In attempting to mesh the former FCDA and ODM programs, however, OCDM encountered difficulties both organizational and functional in nature. It proved to be difficult to develop an adequate, integrated nonmilitary defense program, especially one which would receive sufficient financial support from the Congress.

On January 23, 1961, when President Kennedy announced his intention to appoint a new Director of OCDM, he took note of problems that had arisen in connection with the FCDA-ODM consolidation. He stated that "OCDM as presently constituted is charged with the staff function of mobilization planning and, at the same time, with the operating functions of civil defense.

Both of these tasks are of vital importance to our national security. I consider it imperative that they be organized and performed with maximum effectiveness." Accordingly, the President asked the OCDM Director-Designee, as his first task, to join with the Director of the Bureau of the Budget in a thoroughgoing review of the nation's non-military defense and mobilization programs, in consultation with the Secretary of Defense and other appropriate officials. The President further stated that he would "await the results of this survey with interest and concern."

In February 1961, the Director of OCDM submitted a report to the President entitled Civil Defense and Defense Mobilization--Roles, Organization and Programs. One of its principal findings was that OCDM, in order to assume its proper role in the Executive Office, must divest itself of all operating functions that can be performed by other agencies, and that it must concentrate on directing and coordinating the total nonmilitary defense effort. The report indicated that the OCDM staff had apparently been preoccupied with the conduct of civil defense operations programs, and with determining the Agency's role in directing emergency operations. These activities reportedly had a strong tendency to subordinate the basic planning and coordinating responsibilities of OCDM. The report suggested that OCDM should plan and develop new programs as required by changing

concepts in nonmilitary defense but should develop or operate them only until they can be delegated to other departments and agencies. The report also discussed a number of specific functions that might appropriately be delegated.

During the ensuing several months, a thorough review of nonmilitary defense and mobilization programs was undertaken. On May 25, 1961, in a message to Congress, President Kennedy announced that (a) he was assigning responsibility for certain civil defense functions to the "top civilian authority already responsible for continental defense," the Secretary of Defense; (b) he would reconstitute the OCDM as a small staff agency to assist in the coordination of these functions; and (c) the title of OCDM should be changed to the Office of Emergency Planning, in order to describe its role more accurately.

Meanwhile, the Bureau of the Budget had again contracted with the private consulting firm of McKinsey and Company, which had developed the study so instrumental in the 1958 merger, for a study of the advisability of transferring greater responsibilities for nonmilitary defense to the Department of Defense. The McKinsey report, completed in early July 1961, suggested that, based on the previous 15 years' experience, seven principles had emerged that should guide next steps in organizing for nonmilitary defense:

(1) The United States must be prepared for defense in three fundamentally different kinds of warfare:

all-out nuclear attack, limited conventional war, and indefinite continuance of cold war. OCDM has concentrated almost entirely on the nuclear attack problem, to the detriment of the agency's role and effectiveness.

(2) Increasingly, military and nonmilitary defense arrangements interlink and overlap. The current role of the Department of Defense in the protection of the civilian population does not adequately reflect these increasing interrelationships.

(3) The time for preparedness is now. There will no longer be time after a declaration of war to mobilize resources; planning and organization must be geared to achieving "full readiness."

(4) Existing Federal, State and local governmental units must of necessity constitute the basic structure to respond to attack. But the reluctance of OCDM (during the period 1958 - 1961) to recommend delegating substantial nonmilitary defense functions to other Federal departments and agencies has resulted in failure to make full use of the potential capacity of existing governmental machinery.

(5) The line of communications to which Federal, State and local officials are accustomed is from the

President (and his assistants) to the Governors (and their assistants). The OCDM regional offices have performed useful functions, but the basic line of authority must be from the President to the Governors.

(6) There is a need for an organization to assist the President in formulating policies, in providing leadership, in evaluating the adequacy of planning and readiness programs, and in guiding and coordinating the nonmilitary defense efforts of the various Federal departments and agencies. The retention within OCDM of major operating and operational planning activities that it was assumed would be delegated (when Reorganization Plan No. 1 of 1958 was made effective) has denied the President the aid of such an objective staff agency to assist in coordinating the nonmilitary defense efforts of the various Federal departments and agencies.

(7) Organizational arrangements for nonmilitary defense must be so structured that they can be modified easily and quickly as changes occur in the concepts of war, in enemy capabilities and intentions, and in the technology of defense. The failure of OCDM to delegate more fully has tended to prevent the agency from objectively adapting itself and the whole Federal structure to changing concepts of war, growing enemy capabilities, and the evolving technology of defense.

The McKinsey report outlined three alternative approaches to "improving nonmilitary defense" by assigning additional civil defense responsibilities to the Department of Defense. Alternative 1 would assign to DOD responsibility for the shelter program. Alternative 3 would assign to DOD substantially all programs and activities designed to ensure survival of the civilian population in the event of nuclear attack. Alternative 2, an intermediate option, would assign to DOD the shelter program plus several other activities related to shelter for which DOD has distinctive capabilities and in which DOD is already participating to some degree. The report also discussed three alternatives for organizing within the Department of Defense: assigning civil defense activity to an administrator who would rank with the Secretaries of the three services; assigning civil defense to the Secretary of the Army; and assigning elements of civil defense activity wherever appropriate within DOD to ensure integration with other continental defense activities.

Finally, the McKinsey report proposed that the role for the new Office of Emergency Planning should be defined by answering the question: "What does the President need in the form of immediate staff assistance to enable him to maximize the Nation's nonmilitary defenses?" The report stressed that:

> "if the American people are to understand the threats and if their governments and they as individuals and as families are to make adequate preparations, the President

must lead in acquainting them with the threats and in indicating the nature of preparations that need be made by the Government and by the individual."

On July 7, 1961, the Director of OCDM submitted to the President a memorandum proposing a wide range of actions which were later incorporated in Executive Order 10952, issued on July 20, 1961. The Executive Order assigned most civil defense functions to the Secretary of Defense, and also transferred related personnel and funds from OCDM to the Department of Defense. In accepting these new functions, Secretary McNamara made these points:

- The civil defense effort must remain under civilian direction and control.
- Civil defense must be integrated with all aspects of military defense against thermonuclear attack.
- Civil defense functions must not be permitted to downgrade the military capabilities of our armed forces.
- Expenditures for civil defense must be directed toward obtaining maximum protection for lowest possible cost.
- The civil defense function will be organized within the Department of Defense as a civilian function, drawing where necessary on the military departments for available support.

Executive Order 10952 of July 20, 1961, delegated to the Secretary of Defense most civil defense functions, including but not limited to the following:

- o A fallout shelter program
- o A chemical, biological, and radiological warfare defense program
- o All steps necessary to warn or alert Federal military and civilian authorities, State officials, and the civilian population
- o All functions pertaining to communications, including a warning network
- o Emergency assistance to State and local governments in a postattack period, including water, debris, fire, health, traffic, police and evacuation capabilities
- o Protection and emergency operational capability of State and local government agencies in keeping with plans for the continuity of government
- o Programs for making financial contributions to the States (including personnel and administrative expenses) for civil defense purposes

Under Executive Order 10952, the President reserved for himself the power to delegate civil defense functions, the responsibility for the medical stockpile and the food stockpile, and certain emergency civil defense powers. By Executive Order

10958, dated August 14, 1961, the medical stockpile and food stockpile functions were transferred to the Secretary of Health, Education and Welfare and to the Secretary of Agriculture, respectively.

But some important functions relating to civil defense were retained by OCDM. Executive Order 10952 left with the Director of OCDM the following functions:

(1) Advising and assisting the President in:

- o Determining policy for, planning, directing and coordinating the total civil defense program
- o Reviewing and coordinating the civil defense activities of Federal agencies with each other and with the States and neighboring countries
- o Determining the appropriate civil defense roles of Federal agencies, mobilizing national support for the effort, evaluating the progress of programs, and reporting to the Congress on civil defense matters
- o Promoting interstate civil defense compacts and reciprocal civil defense legislation
- o Assisting States in arranging mutual civil defense aid between States and neighboring countries

(2) Develop plans, conduct programs, and coordinate preparations for the continuity of Federal, State, and local governments in the event of attack.

Clearly, it was intended that OCDM (later OEP) should have an active and extensive role in setting civil defense policy, in coordinating the overall program and in reviewing program effectiveness. It should be noted, too, that not all civil defense-related functions were transferred from OCDM to the Department of Defense. All other functions formerly vested in OCDM, including the disaster assistance function, remained in OCDM. On September 22, 1961, the Agency's name was changed by statute to the Office of Emergency Planning (OEP).

In retrospect, several factors appear to have converged to bring about the reorganization of 1961. First, there was the point of view that OCDM had become too operational (and perhaps too big); it was not functioning at a sufficiently broad and detached level to provide optimum support to the President. Second, there was the argument that as the threat expanded, it became increasingly meaningless to separate military defense from civilian defense; the closest possible integration was required. Third, it was argued that the Department of Defense had substantial, relevant resources that could be used to strengthen the civil defense program. Fourth, and some observers would say most important, it was hoped that a civil defense budget submitted by the Secretary of Defense would receive more generous treatment from the Congress than a budget coming from an entirely civilian agency.

Subsequent events have indicated that the delegation of substantial civil defense functions to the Department of Defense and the retention by OEP of only a staff or advisory role resulted in the loss by OEP of policy control and even policy influence over the civil defense program. It also resulted in duplication of field organizations. The argument as to the relevance of civil defense to military strategy has not been definitively resolved. Department of Defense resources have been useful in developing and supporting civil defense programs; a question remains as to whether these resources could be equally useful if policy control over civil defense were removed from the Pentagon. Finally, the Department of Defense was successful for one year in obtaining substantially larger appropriations for civil defense--but only for one year. It seems fair to conclude that whatever merit the rationale for the 1961 reorganization had in theory, the results in practice were by no means an unqualified success.

Other Developments 1961 - 1973

In September 1962, the President issued Executive Order 11051, restating OEP's preparedness assignments and related functions and describing its responsibility for leadership and coordination of Federal civil emergency preparedness activities. The Agency was described as a "true staff arm" with the "overriding responsibility" for advising and assisting the President with regard to the total nonmilitary defense program.

Major activities of OEP during the 1960's included the development of a "comprehensive program" for state emergency resource management, supported by Federal financial assistance; and a "Memorandum of Understanding" between OEP and the Office of Civil Defense, under which OEP would guide federal agencies in the management of "primary" (generally, interstate) resources, while the State and local governments, with OCD planning assistance, would have responsibility for use of "secondary" (intrastate) goods. In 1962, the President established an Emergency Planning Committee, chaired by the Director of OEP, Mr. McDermott, and including the Director of the Bureau of the Budget (Mr. Staats) and a senior Department of Defense official (Mr. Horwitz). This Committee undertook a searching review of Federal policy and planning with respect to measures that would be required in the event of nuclear attack on the United States. In 1963 - 1964, OEP issued the National Plan for Emergency Preparedness, a landmark planning and guidance document. Also in 1964, OEP issued an example state plan for the emergency management of resources; and in June 1964, the President approved the concept of an emergency Office of Defense Resources, to manage federal resource programs in a serious national emergency. In 1965, OEP published official guidelines for nonmilitary defense planning. In 1966, OEP undertook a study of the economic impact of continued, increased or terminated U.S.

military efforts in Vietnam. During 1967 and 1968, the Directors and elements of the staff of OEP were engaged in a special Presidential program to promote cooperation with the States (the so called "New Federalism" approach). While this project had very little to do directly with emergency preparedness, the Agency was employed for this purpose because of its extensive working relationships with other federal agencies and with State governments. Meanwhile, the title of the Office of Emergency Planning was changed by statute, late in 1968, to the Office of Emergency Preparedness.

National preparedness planning, however, was not limited to the top level agencies. In 1961, OCDM had been ordered to establish both civil defense and defense mobilization planning assignments (entitled "Emergency Preparedness Orders") which each department and agency was to prepare in as uniform a manner as possible. The tasks of making emergency preparedness assignments and/or coordinating departmental and agency emergency plans were assigned in 1962 to OEP, and, in a series of executive orders (1962-1968), departments and agencies were instructed to develop preparedness plans and programs. The latter were replaced in 1969 by a revised, consolidated order (EO 11490), which in turn has been amended, adjusted and updated.

In the civil defense area, a major fallout shelter survey program was initiated in 1962. Also in that year, civil defense

awareness and the need for shelters reached a peak during the period of the Cuban missile crisis. As a companion measure to the shelter survey program, legislation was introduced to authorize subsidy payments for the inclusion of shelter in new construction. The House approved a bill, but the Senate failed to act for the reported reason that a shelter program should be considered in the context of decisions on the antiballistic missile system. The budget for civil defense purposes was gradually reduced until, in FY 1969, it was back to the level of the 1950's, a level that had been described by the Secretary of Defense in 1961 in these terms: "It buys an organization, but it does not buy a program."

In the early 1970's, specific emphasis was placed on peacetime as well as attack hazards and those arising gradually as well as rapidly. The early 1970's also brought new emphasis on what was called on-site assistance--an attempt to upgrade local governments' ability to make coordinated use of all relevant assets available to a community in an emergency. This meant working closely with local officials to define the emergency readiness needs of communities, and it involved emphasis on dual use of people, planning, training and other resources. And by FY 1974, there was emphasis on crisis relocation planning, contingency planning to evacuate populations from high-risk areas during periods of international tension.

Meanwhile, the Office of Civil Defense, which from 1961 - 1964 had been under an Assistant Secretary of Defense and which from 1964 - 1972 had been located within the Department of the Army, was transformed in 1972 to the Defense Civil Preparedness Agency, reporting directly to the Secretary of Defense.

In January 1969, the President instructed the new Director of OEP to give top priority to his role as a member of the National Security Council. During that year, OEP led a major interagency study of the civil defense program for the NSC. This study eventually led to Presidential guidance in 1972, which directed that ". . .there be increased emphasis on dual use plans, procedures and preparedness within the limits of existing authority, including appropriate related improvements in crisis management planning." This guidance tended to reinforce the efforts of the Office of Civil Defense (described above) to focus on peacetime as well as attack hazards. In this connection, the Director of OEP, late in 1971 and early in 1972, arranged for the Office of Civil Defense to undertake certain tasks related to local preparedness for disasters.

In 1969, OEP also undertook a study entitled "Continuity of Government in a Nuclear Environment." In the fall of that year, the President approved an omnibus Executive Order, replacing a series of separate Executive Orders, assigning responsibility to federal agencies for civil emergency

preparedness activities. In 1969 and 1970, OEP became increasingly involved in the national security aspects of the oil import program, and the Director became Chairman of a Cabinet level Oil Policy Committee. Intensive work was also done in analyzing existing stockpiling policies.

Although there were substantial national security (or war related) planning activities during the period 1969 to 1973, the Agency became increasingly heavily involved in an expanded disaster assistance program, and in dealing with non-war emergencies such as energy shortages and the wage price-freeze of 1971. These activities are described in more detail in the sections III and IV below.

The Reorganization of 1973

During the period 1970 to 1972, there were several intra-governmental studies affecting federal civil emergency preparedness. In transmitting to the Congress proposed new disaster assistance legislation in the spring of 1970, President Nixon directed that a careful study be made of the relationship between civil defense and natural disasters. The requirement for this study grew in part out of inadequate coordination between OEP and OCD, particularly at State and local levels, in dealing with disaster preparedness. An interagency study group, headed by Major General Otto L. Nelson (Retired), undertook an examination of alternative organizational

arrangements for dealing with disaster assistance and civil defense responsibilities. The study group's report, completed in March 1971, examined a total of seven organizational options, of which only three were given serious consideration by the group. These three were as follows:

- o A minimum change approach, which would have left both OEP and OCD in existence but which would have given OCD an increased role in predisaster planning and preparedness assistance to State and local governments (this solution was favored by the representatives of the Department of Defense and the National Security Council staff).
- o An approach that would transfer all civil defense policy, planning, and management functions from the Secretary of Defense as well as from other departments to the Director of OEP in the Executive Office of the President (this approach was favored by General Nelson and by the OEP member).
- o The establishment of a small office in the Executive Office of the President devoted solely to the direction and coordination of all disaster response activities whether they be of natural, man-made or nuclear origin. This would have involved abolishing both OEP and

OCD and establishing a new, smaller and more narrowly focused emergency response agency. (This approach, which was never spelled out in much detail, was favored by the two OMB members.).

No formal action was taken on the Nelson Report.

Meanwhile, during 1970, the President's Advisory Council on Executive Organization (the "Ash Council") made a series of recommendations designed to reduce drastically the size of the Executive Office of the President. The Ash proposal would have abolished OEP and the position of its Director as a member of the NSC, transferred "preparedness policy" to the NSC, transferred natural disaster relief to OMB, transferred stockpiling policy to the NSC, transferred OEP's relocation site and responsibilities to the General Services Administration, and transferred OEP's computer capability to OMB. The Ash Council Report dealt only with the Executive Office of the President and did not touch on OCD's organization or functions. No formal action was taken on these proposals of the Ash Council.

During 1971, there were within OMB further internal studies of the problem. The main thrust of these study proposals was to create a new "Office of Federal Emergency Response" in the Executive Office of the President, a proposal which had been included as one of the alternatives in the Nelson Report. No definitive action on this proposal was taken. Meanwhile, the

President's reorganization authority lapsed in April 1971, and was not renewed again until December 1971.

Early in 1973, the President announced that OEP would be abolished. His proposed reorganization involved abolishing the role of the Director of OEP as a member of the National Security Council; transferring all OEP responsibilities having to do with preparedness for and relief of disasters to the Department of Housing and Urban Development; transferring OEP functions involving the investigation of imports which might threaten to impair the national security to the Department of the Treasury; transferring the chairmanship of the Oil Policy Committee to the Deputy Secretary of the Treasury; and transferring all other former OEP functions to the General Services Administration. This was to leave all war-related (and also other man-made) emergency preparedness responsibilities, except civil defense, in a new office subordinate to the Administrator of General Services. For the first time since 1949, there would be no official charged with broad civil emergency responsibilities either within the Executive Office of the President or as a member of the National Security Council. So far as can be determined, there was no systematic analysis underlying this reorganization decision. The stated rationale was that the size of the Executive Office of the President needed to be reduced, and that some of OEP's functions were of an operational nature and could properly be decentralized.

The provisions of the President's reorganization plan, summarized above, became effective on July 1, 1973. An Office of Preparedness was established in the General Services Administration, and the Federal Disaster Assistance Administration (FDAA) was established in HUD, to carry out the functions transferred from OEP. The Office of Civil Defense, which had been redesignated in 1972 as the Defense Civil Preparedness Agency (DCPA), was not affected by the reorganization. In principle, at least, the Director of the Office of Preparedness in the General Services Administration retained the broad policy guidance authority over civil defense programs that had previously been vested in the Director of OEP. But as a practical matter, the Director of the Office of Preparedness (later renamed the Federal Preparedness Agency [FPA]) had less and less effective influence on civil defense policy and programs.

This reorganization also meant that all three of the major agencies concerned with civil emergency preparedness after June 30, 1973, maintained their own separate regional offices. Consequently, State officials were required to deal with at least three sets of Federal regional officials on often closely related substantive program issues. It is probably fair to say that State and local dissatisfaction with the fragmentation of federal emergency preparedness organizational arrangements grew substantially after the 1973 reorganization.

Recent Developments

This mounting dissatisfaction was at least in part responsible for extensive Congressional activity in this area during 1976. The Joint Committee on Defense Production issued in April 1977 a report on the civil preparedness review they conducted during the period April through November 1976. Their report pointed out that disaster preparedness has taken on broader scope in recent years. At the close of World War II, the terms "preparedness" and "readiness" had almost exclusively military connotations; but now these terms include not only measures aimed at securing the country's defenses and the protection of the population, but also a host of activities designed to prevent and mitigate the effects on persons and property of natural disasters, resource crises and other economic disruptions, industrial and transportation accidents--such as nuclear power plant emergencies, spillage of flammable or corrosive chemicals, train derailments--and certain forms of terrorist activity.

The Committee report recommended that the emergency preparedness functions of DCPA, FPA, and FDAA be combined into a single independent agency, the Federal Preparedness Administration. It would also assign to the Director of the new Federal Preparedness Administration authority and budget control for the specific preparedness programs of other departments and

agencies such as were assigned to the former Director of OEP under the "delegate agency funding" concept. It would make the Director of the Federal Preparedness Administration a member of the National Security Council.

On August 25, 1977, President Carter directed the Reorganization Project staff at OMB to carry out a comprehensive study of the Federal Government's role in preparing for and responding to natural, accidental, and wartime civil disasters.

III. Evolution of the Disaster Assistance Function in the United States

Introduction

At the present time, the provisioning of assistance to victims of natural disasters is a responsibility of the Federal Disaster Assistance Administration (FDAA) of the Department of Housing and Urban Development (HUD). This responsibility consists principally of supplying specified types of aid and coordinating similar efforts by other Federal agencies and by volunteer relief organizations. Some of the Federal agencies have independent statutory authorities to act, at times with and at times without the need for a "major disaster" or "emergency" declaration by the President. The authority to make such a declaration rests with the President alone, however.

The types of assistance are many, from grants to the rehabilitation of essential public facilities and loans to communities, to temporary housing, unemployment assistance,

food coupons, and grants to individuals. And the types have expanded, at times gradually, at times--often after a large-magnitude disaster--rather rapidly into what is now a permanent, comprehensive program. Depending on the number and severity of disasters in any given year, the annual cost of this program supported from the President's Disaster Relief Fund alone amounts to some $200-250 million.

The purpose of this brief historical review is to trace the development of disaster assistance activities in this country and attempt to derive from it the most significant organizational and procedural implications. These implications, of course, are but one set of considerations to be weighed in solving the complex problem of the most effective organization of emergency preparedness and response agencies of the Federal Government.

Early Disaster Assistance Activities

Up to thirty years ago, there was no permanent program of assistance to victims of natural disasters in this country. In response to appeals from State and local governments that had insufficient resources to cope with the effects of natural disasters, however, the Federal Government from time to time passed special assistance legislation. These laws--some 100 in number between 1803 and the end of World War II--were all enacted after a disaster and in response to a specific event.

For these reasons, there were frequent delays before Federal assistance reached the affected localities and the nature of the assistance was quite restricted.

It should be pointed out, however, that there were ongoing activities (other than those mandated by special legislation) that did in fact provide relief. In the first place, the American National Red Cross gave mass care, such as emergency housing, food, clothing, and financial support. Secondly, Federal agencies, such as the depression-spawned organizations (e.g., Federal Civil Works Administration, Works Progress Administration, and Public Works Administration) as well as mission agencies, like the Corps of Engineers, the Reconstruction Finance Corporation, and the Bureau of Public Roads supplied effective aid to communities even though the programs of some of them were not specifically designed for this purpose.

The management of these early assistance activities rested solely with the agency having the necessary statutory authority. In the absence of any permanent assistance legislation at the Federal level, there was no requirement for coordination of their activities. And with popular expectations in this area low in thos days, complaints were either non-existent or not recorded.

A seminal action in the disaster assistance field was taken by Congress in July 1947, when it passed P.L. 80-233.

The law authorized the War Assets Administration (WAA), which had custody of surplus war property, to transfer items from its stocks (of an expendable as well as unexpendable nature) to the Federal Works Administration (FWA). FWA in turn made them available to State and local governments to alleviate the damage caused by floods and other catastrophes.

The major significance of this law lies in the fact that, first of all, it was permanent, that is prospectively applicable to disasters regardless of when they would happen, and that, second, it was passed not post facto, but in anticipation of future disasters. That the proximate causes for its enactment were hurricane and flood disasters along the Gulf Coast and the Missouri-Mississippi Rivers, respectively, detracts nothing from the significance of the step taken by the Congress in creating for the first time a permanent assistance program on a nationwide basis.

Organizationally, the law also broke new ground. Not only FWA, but all other Federal agencies were mandated to cooperate with the WAA; and employees of Federal as well as State and local governments could be used to further the objectives of the Act. The President triggered the provisions of the law whenever he determined it to be necessary or appropriate because of floods "or other catastrophes." In the field, the assistance was provided by the district engineer of FWA's

Bureau of Community Facilities, working in conjunction with WAA's field representative. Both then dealt with local government officials. Several organizational and management concepts that were adopted for effecting the provisions of this law can be easily recognized in today's assistance program.

As surplus war property was exhausted, P.L. 80-233 became an increasingly less effective mechanism for providing assistance to victims of natural disasters. Assistance in the form of cash grants to State and local governments began to be used instead. The monies were allocated from the Emergency Fund of the President, a fund that had already been in existence, probably since 1948. The Independent Offices Appropriation Act of 1950 (P.L. 81-266), however, granted specific authority for its discretionary use by the President to alleviate hardships caused by natural disasters, whenever a Governor certified that Federal support was required to supplement a reasonable amount that the State itself and affected localities could provide--legal provisos that have survived virtually intact to this day.

The General Services Administration administered the fund, but the President, apparently, designated the agency actually charged with supplying assistance in each instance. Details on how this aspect of the assistance was carried out in practice are not readily available, however.

The Federal Disaster Act of 1950 (PL 81-875, as Amended)

While many significant concepts, administrative procedures, and financial mechanisms for disaster assistance had already been developed by 1950, it remained for PL 81-875 to recodify them, expand upon them, and put onto them a long-lasting imprint. This Act is a true landmark piece of legislation, since it was both permanent (as PL 80-233 was) and comprehensive, as no predecessor law was.

The assistance authorized by this law and its amendments consists of: emergency repair and temporary restoration of essential public facilities (or, by a subsequent administrative rule, providing the equivalent in cost, if the State or locality decided on permanent restoration); protective or other work essential to life and property preservation; clearing of debris; provision of temporary housing or emergency shelter; contributions to State and local governments for the above-stated purposes; and donation or loan of surplus government property (consumable or nonconsumable) to a State. Amendments also "triggered" emergency assistance (loans, feed for livestock, and seed for planting as well as surplus farm commodities) in agricultural areas provided under authority of the Department of Agriculture. Moreover, permanent restoration of Federal facilities was authorized. The scope of assistance had indeed increased considerably since enactment of PL 80-233.

From the management point of view, PL 81-875 reinforced the already existing legislative mandate for all Federal agencies to cooperate with each other in providing disaster assistance. The law went further, however. It authorized the President to coordinate in any manner deemed appropriate the assistance activities of Federal agencies and direct the utilization of their resources. This grant of explicit power to the President, deemed necessary by the Congress because of the new and enlarged scope of assistance activities contained in the statute, is the legislative cornerstone of the concept of a single agency responsible for the coordination of natural disaster activities.

By Executive Order 10221 of March 1951, these new managerial functions were at first delegated by the President to the Housing and Home Financing Agency (HHFA)--an independent agency created in 1947 to conduct Federal housing programs. Within HHFA, the Community Facilities Service was assigned the specific responsibility under PL 81-875. The reasons for this delegation to HHFA were apparently twofold: (1) availability within that agency of engineering expertise, rightly deemed essential for provision of disaster assistance; and (2) experience in administering such assistance on the part of the Community Facilities Service, presumably a successor organization (direct or once-removed) of FWA's Bureau of Community Facilities that had a similar (but more restricted) responsibility under PL 80-233.

Less than two years later--in January 1953--Executive Order 10427 transferred disaster assistance responsibility from HHFA to the Federal Civil Defense Administration (FCDA). With predecessors reaching back to the immediate World War II period, FCDA had been established as an independent agency in February 1951 by the "Federal Civil Defense Act of 1950" (PL 81-920). The new Executive Order broadened considerably FCDA's authority in assistance matters compared to the authority that HHFA had under the earlier Executive Order 10222, especially in the area of coordination of other Federal agencies, and development of State and local response preparedness.

These new authorities were to:

- Coordinate the making of plans and preparations by the Federal agencies in anticipation of their responsibilities in the event of a major disaster.
- Foster the development of such State and local organizations and plans as may be necessary to cope with major disasters.
- Coordinate the disaster relief assistance afforded by Federal agencies under their own statutory authority.

Thus the first steps were taken in the twin efforts that continue to this day to improve the capability of State and local governments to accept their shared role in responding

to disasters--on the intergovernmental level--and ensure that all the resources of the Federal government (regardless of specific legislative authority) are effectively utilized in a natural disaster--at the Federal level.

The Executive Order also reconfirmed a number of significant procedural concepts. The most noteworthy were the supplemental nature of the assistance, the obligation of States and localities to expend a reasonable amount of funds to help themselves, and the need to make fiscal provisions for these eventualities. Armed with this expanded authority, FCDA developed a predisaster plan encompassing the major Federal agencies and a formal understanding with the American National Red Cross at the Federal level. Moreover, a relief coordinator, for the most part in the person of the State civil defense director, was established in almost all States.

Executive Order 10737, (issued four years later, in October 1957), was processes oriented. It codified in detail the steps to be taken prior to a major disaster declaration (or--interestingly enough--"upon the threat" of a major disaster). It included procedures for determining the nature and cumulative amount of State commitment, an estimate of damage hardships caused by the disaster, and the specific items of Federal aid that were required. A Federal-State agreement (or contract) was also formally made a requirement for providing assistance. This order, however, caused no organizational change to take place.

The earlier Executive Order (No. 10427) did cause changes, but gave no reasons for transferring the disaster assistance functions from HHFA to FCDA. A careful reading of it, however, coupled with the contents of a Presidential message to the Congress on disaster assistance issued slightly more than a year later (July 1954), provides a clear indication of what those reasons were:

- The interests of HHFA were too narrow for the broad spectrum of activities authorized in PL 81-875. There was little affinity for disaster matters in HHFA and the latter must have been considered then as causing an unwanted diversion of management and operational resources from the main responsibility: housing, then as now a very difficult task. One former member of HHFA who remained with the assistance program until retirement opines that HHFA was glad to be relieved of the disaster responsibilities.

- The increase magnitude and importance of the assistance program required an administering agency not only with broad authority, but also with a capability to coordinate effectively many Federal agencies and encourage a considerable level of State and local participation. A streamlining of disaster operations was obviously required.

o In the words of the Presidential message, "The participation of civil-defense organizations in natural disaster operations will increase their capacity and effectiveness to cope with situations which could occur in event of enemy attack." Collateral benefits that would accrue included a trained State and local civil-defense organization--an asset for any community--and the opportunity for providing a recognized community service, ". . .thereby erecting a new dimension of peacetime citizenship." The argument for "dual use" could hardly have been presented in a more telling manner.

Although not covered by the available literature two additional reasons must have played a role in assigning FCDA the disaster function: the linkages that FCDA had already established with State and local governments for civil defense purposes were very useful for disaster assistance efforts and the rather wide spectrum of expertise and disciplines to be found in FCDA were also useful for dealing with disaster situations.

Organizational Stability and Program Growth (1953 to 1973)

Continuing a trend that had become well established by the early 1950's, the disaster program came to include many new benefits during the ensuing 20 years. The expansion often was triggered by a disaster of above-average severity and magnitude. The legislative authorities and the major additional features are as follows:

o PL 87-502 (1962)--Eligibility for Guam, American Samoa, and the Trust Territories and for State public facilities.

o PL 88-451 (1964)--Ad hoc provisions to help restore earthquake damage in Alaska (more liberal loan terms and loan adjustments to individuals, larger Federal share for road repairs, expanded urban renewal and civil projects funding, and purchase of State bonds).

o PL 89-41 (1965)--Ad hoc provisions to help restore roads and timber trails in five western States damaged by floods.

o PL 89-313 (1965)--Aid for reconstruction of public elementary or secondary schools, and for current school expenditures (including instructional materials).

o PL 89-339 (1965)--Ad hoc provisions to help victims of Hurricane Betsy in Florida, Louisiana, and Mississippi with loan cancellations and eligibility to purchase trailers provided as emergency housing.

o PL 89-769 (1966)--Liberalization of loan provisions, extension of eligibility to rural communities and unincorporated towns and villages and to institutions of higher education, and Federal cost sharing for repair of facilities of State and local governments damaged while under construction.

o PL 90-247 (1968)--Aid for reconstruction of public, technical, vocational, and other special education facilities at the elementary or secondary school level.

o PL 91-79 (1969)--Federal cost-sharing for repair of highway facilities not on Federal-aid systems, aid for timber operations, grants to State and local governments for removal of debris from private property, food coupons, unemployment assistance, and fire suppression grants. (These benefits were in addition to those authorized by previous legislation and were to be in effect for 15 months.)

o PL 91-606 (1970)--Major recodification of disaster assistance with new significant benefits, including assistance before a disaster actually occurs, provision of emergency communications and public transportation, re-employment assistance, temporary mortgage or rent payments, aid to major sources of employment, provision of legal services, disaster grants for communities, and relocation assistance, and for the first time matching funds with the States for State disaster planning.

o PL 92-209 (1971)--Grants to medical care facilities owned by tax-exempt organizations.

o PL 92-385 (1972)--Liberalization of loans to individuals and business, and grants for repair of private non-profit educational facilities and equipment at all levels. (These were in addition to benefits covered by prior legislation and were intended to aid only victims of Tropical Storm Agnes.)

At first glance, the expansion of the disaster assistance activities seemed to be accompanied by considerable organizational changes. The responsibilities of FCDA were transferred by Executive Order 10773 of July 1, 1958, to the Office of Defense and Civilian Mobilization (ODCM) in the Executive Office of the President, created by the Reorganization Plan No. 1 of 1958. ODCM, which combined all the emergency preparedness and response functions as they are generically called today, became the Office of Civil and Defense Mobilization (OCDM) by virtue of PL 85-763 and Executive Order 10782 later in 1958. The consolidated agency was split by the transfer of the civil defense functions to the Department of Defense by Executive Order 10952 of July 1961, leaving continuity of government, stockpile, and disaster assistance functions in OCDM. OCDM's name was changed to Office of Emergency Planning by P.L. 87-296 in September of 1961 and finally to Office of Emergency Preparedness (OEP) by P.L. 90-608 in October of 1968.

In reality, the disaster program underwent no structural organizational changes during this period. Assistance to victims of natural disasters was not a factor in either the combination that resulted in ODCM or the splitting that left OEP in the Executive Office of the President and placed the operational functions of civil defense in the Department of Defense. Further, its essential characteristic of coordinating the activities of many other Federal agencies, often in stressful situations, seemed an appropriate function of the Executive Office of the President. If its separation from the civil defense operation functions caused any real or perceived loss of effectiveness, such loss was not at that time commented upon in the available documents.

Structural organizational stability during this 20-year period, however, was accompanied by program growth and increased complexity. After each larger-than-average disaster, such as Camille (1969), San Fernando (1971) and Agnes (1972) extensive Congressional hearings were held in Washington and the field leading to program expansion, including a new emphasis on disaster preparedness. In this connection, in response to PL 91-606, OEP sent to the Congress in January 1972 a three-volume report, Disaster Preparedness, that was to become a landmark publication. It was the first comprehensive analysis and evaluation of all Federal, State, and local programs relating to natural hazards and risks in the United States and the systems, policies, plans

and programs for reducing and mitigating them before the disasters occurred. The mechanisms that it identified included comprehensive disaster insurance, improved land-use and building codes and practices, safety inspections, regulation of weather modification and utilization of new technology. OEP subsequently made some progress in increasing disaster mitigation measures. These initiatives were stunted, however, by the events of 1973 (that are covered in the next section of this paper).

Recent Disaster Assistance Activities (1973 to the Present)

A comprehensive revision of the Disaster Act was proposed by the Administration early in 1973 following an 8-month effort of a joint OMB-OEP study group with the participation of the highest levels of the Executive branch; some 30 Federal agencies, public interest and research groups, and many consultants. The resultant proposed "Disaster Preparedness and Assistance Act of 1973" was ". . . intended to produce a program more equitable, efficient, effective, and economicial . . . with the use of grants to assure needed Federal funding unfettered by a multiplicity of procedural requirements. . ." in the words of the Presidential message accompanying it. The proposed bill, however, recommended no organizational change. Had it passed as proposed, it would have caused the consolidation of all disaster loan activities into one agency -- a topic that is still being studied today -- by administrative rule. No other organizational change was contemplated, and it was assumed that the program would continue

under OEP. As it happened, the bill fared poorly at the hands of the Congress. After a year of hearings and deliberations and under the pressure generated by the tornado disasters of April 1974, the Congress passed the currently operative act, the "Disaster Relief Act of 1974" (P.L. 93-288). This Act resembles the proposed bill in only a few respects, noteworthy among which is Title II, "Disaster Preparedness Assistance," containing legislative authority for undertaking mitigation and preparedness activities.

Like the proposed Administration bill, PL 93-288 contained no organizational provisions, all powers being vested in the President. By the time it became law, however, in May 1974 a very significant restructuring of the whole emergency preparedness functions in the Federal Government -- including disaster assistance--had already taken place by Presidential initiative under the Reorganization Plan No. 1 of 1973, effective on July 1, 1973.

This Reorganization Plan and its implementing Executive Orders 11725 and 11749 abolished OEP and placed the disaster assistance program in a newly created element of the Department of Housing and Urban Development, the Federal Disaster Assistance Administration, where it now rests. For the first time in almost 20 years this program found itself outside the Executive Office of the President and for the first time ever it was embedded in a large line department with which it had only limited affinity.

Despite its serious implications not only on disaster programs but also on the whole emergency preparedness responsibilities of the Federal Government, the only announced motive for this Reorganization Plan had nothing specifically to do with functions, responsibilities, performance or organizational problems of the affected programs. According to testimony presented to the Congress, the reason adduced in support of transferring the disaster program to HUD was the close relationship between the emergency housing element of disaster assistance and HUD's community planning and development functions. The central motive was the desire on the part of the Administration to reduce the size of the Executive Office of the President.

Because of the recency of the events, it is difficult to assess the impacts of the 1973 organizational change. At the Federal level, the additional layer represented by the Secretary of HUD between the FDAA and the President's Office does not seem to have been a real impediment to the provision of assistance to disaster victims. Direct contacts between FDAA and the White House have been close and effective. However, during this period, State and local officials have indicated a growing discontent with having to deal with three different Federal regional offices with apparent overlapping jurisdiction in disaster preparedness and response.

IV. Evolution of Other Categories of Civil Emergency Preparedness in the U.S.

Currently, the principal Federal emergency preparedness functions not related to war or to natural disaster are assuming increasing importance. It is only within the last decade or so that these problems have received systematic attention within the Federal Government. There have been some earlier experiences--for example, with a chlorine barge that threatened to leak deadly gas in the lower Mississippi Valley some 15 years ago; and there were minor resource crises of various kinds over the years. But recently this new range of problems and potential problems, including threats or acts of terrorism, peacetime nuclear emergencies, critical shortages of vital supplies such as petroleum, and disruptions of essential services such as electricity or transportation, have demanded increasing Federal attention. A description of an illustrative list of these problems follows.

Beginning about 1970, the Director of OEP became increasingly involved with a number of broad emergency problems facing the American public. These ranged from reduced electrical power availability to oil embargo contingencies and fuel-related agriculture and industrial problems. In February 1970, the President established an Oil Policy Committee under the chairmanship of the Director of OEP. This Committee provided policy direction, coordination, and surveillance of the oil import program.

In order to deal with a growing distillate fuel oil shortage in the fall of 1970, President Nixon announced creation of a Joint Board on Fuel Supply and Fuel Transport. The Director of OEP was appointed Chairman of this Joint Board. As fuel supplies dwindled and prices rose in the succeeding three years, the Joint Board launched conservation programs and devised various gasoline and fuel oil contingency plans for the nation. This experience set a pattern for dealing with other resource crises that occurred in subsequent years.

In September 1973, after the transfer of major OEP functions to GSA, GSA/FPA was called upon to assist in the organizational development of the Federal Energy Office and in the planning and management of the Voluntary Petroleum Allocation Program and its successor, the Mandatory Petroleum Allocation Program.

An Energy Resources Council was established in 1973. Reacting to anticipated natural gas shortages, the Energy Resources Council in May 1975 established an interagency Natural Gas Policy and Contingency Planning Task Force under the leadership of the Federal Energy Administration. A number of contingency plans were developed to alleviate the impact of natural gas shortages on the economy, including use of authorities available to the Director, FPA, under the Defense Production Act of 1950.

As another example, in the summer and fall of 1975, chlorine shortages for water purification purposes threatened

to cause serious public health problems. FPA became involved in this issue through its basic responsibility for monitoring resource shortages and interruptions. Under FPA leadership, a national action plan for water crisis treatment was prepared. Resource Field Boards were convened, based on the pattern of the Joint Board described above, to monitor the situation at regional and state levels. FPA coordinated the development of an Executive Order empowering the Secretary of Commerce "to redelegate to agencies, officers, and employees of the government, functions relating to orders for the provision of chemicals or substances necessary for treatment of water."

Early in 1973, OEP used the authority contained in Executive Order 11051 to promulgate an agreement on radiological emergency response planning for fixed nuclear facilities.* This agreement assigned AEC as lead agency, supported by DHEW, EPA and DCPA, to provide coordinated Federal assistance to State and local governments for radiological emergency response planning. In December 1975, FPA published a revised agreement designating NRC as lead agency and expanding the scope of the agreement to include transportation incidents involving radiological materials. Responsibilities under the revised agreement were also assigned to ERDA, DOT and HUD/FDAA. In this situation, FPA performs the overall coordinating role through:

- Resolving Federal interagency and Federal/State problems;

*There has been some dispute as to whether Executive Order 11051 was the appropriate authority for this purpose.

o Reviewing and endorsing NRC guidance to other Federal agencies and NRC guidance and plans assistance to State and local governments;

o Encouraging and making arrangements for Federal representative visits to States to provide on-site planning assistance.

A particularly interesting example of emergency response to a non-war and non-disaster crisis was the role of OEP in managing the wage-price freeze in August through November 1971. OEP, as the organizational heir to the National Security Resources Board, had as one of its primary responsibilities the development of emergency planning for economic stabilization. This assignment was visualized primarily as useful in war-related national emergencies; in 1971 it became clear that OEP's economic stabilization function could also be employed effectively in a peacetime economic crisis. In the Executive Order of August 15, 1971, establishing a 90-day freeze on prices, rents, wages and salaries, a Cost of Living Council was established to administer the freeze with the Director of OEP as a member. Cost of Living Council Order No. 1 "delegated to the Director, OEP, responsibilities and authority to implement, administer, monitor and enforce the stabilization of prices, rents, wages and salaries as directed by section 1 of the order." Working through its ten regional offices, and supported by the field establishment of the Internal Revenue Service, OEP actively managed the freeze operation until those responsibilities were turned over to the Internal Revenue Service in a Phase II follow-on program.

Among the many resource emergencies which can beset the nation, widespread railroad and motor truck service interruptions have been particularly serious in their potential adverse effect upon the economy. In these situations, FPA and its predecessor agencies have coordinated the Federal government response. For example, when a nationwide rail strike of two weeks duration occurred in July-August 1971, OEP assembled information on the status of the strike, prepared impact statements of its effect on the economy, and submitted twice-daily reports to the White House. An around-the-clock operations and information center monitored the activities of the ten OEP regional offices and other concerned Federal agencies in locating critical resource shortages and taking actions to correct them.

FPA and its predecessor agencies have thus had significant involvement in cooperating with State and local officials in the management of resource disruptions of the kind described above. Its regional offices in the ten Federal Regional Council cities have a highly important role in carrying out these responsibilities; but their effectiveness is sharply limited by the minimal staffing available. Regional Field Boards have been convened from time to time to cope with such varying situations as transportation and coal strikes, power and fuel deficiencies, crop drying, and chemical supplies for water purification. In this connection, the FPA Guide for Contingency Planning: The Management of Resource Crises for State,

Municipal, and Community Levels (1976) has helped develop a better coordinated and better integrated approach to crisis management at the State level.

The above discussion by no means covers the full range of non-war and non-natural disaster problems emerging in the civil emergency preparedness field; but it is illustrative of those problems. In 1974, FPA in an internal reorganization separated "conflict preparedness" from "civil crisis preparedness," a reflection of the growing importance of non-war emergencies. There appears to be ample justification for taking into account crises and emergencies of non-war and non-natural disaster origin in designing an improved overall organization for Federal civil emergency preparedness and response. There may be a need to obtain, through legislation, clarification of authorities in this area.

V. Some Implications for Future Organizational Development

It is evident that organizational arrangements for Federal civil emergency preparedness in the United States have gone through many periods of turbulence. Changes in organization have been made to reflect changes in the strategic situation and the perceived threat, to reflect efforts to stimulate public and Congressional support, and in some instances to reflect changing management concepts. Most of the changes that have occurred have involved the war-related or national security aspects of Federal emergency preparedness programs. During the past 10 years, however, the natural disaster assistance programs

have expanded to the point where they now constitute a highly important factor in deciding on organizational arrangements. Preparedness for other kinds of civil emergencies (e.g., peacetime nuclear incidents, terrorism, and economic disruptions) have not been a major factor in past reorganizations. Concern over these types of civil emergencies is growing, however, and future organizational arrangements should explicitly take such emergencies into account.

The war-related programs grew out of experience in World War II, which brought military devastation to many civilian populations in Europe and Asia, and which underlined the importance of having an economy and an industrial base that could be quickly geared to meeting emergency requirements. The Korean War reinforced the belief in the United States that industrial mobilization planning and preparedness, on a continuing basis, were essential to the Nation's security.

During the past three decades, the capability of potential adversaries to inflict casualties and damage on the United States has grown phenomenally, and in the same period likely warning time has shrunk dramatically. But these changes in the magnitude and immediacy of the potential threat have not been accompanied by a growth in attention to war-related civil emergency preparedness measures. In fact there has, on the whole, been growing apathy towards civil defense and related programs. This apathy is probably due at least in part to a

combination of the fact that there has been no actual attack on the United States, a belief that nuclear war won't really occur, and the view often expressed that if it does occur it will be so catastrophically destructive that preparedness would do little good. In any event, increasing complacency since the early 1960's has made it politically very difficult to promote extensive civil defense programs in the United States.

While public attention to and Congressional support for war-related civil emergency preparedness programs have generally waned, the opposite trend has characterized reactions to natural disaster assistance programs. The Congress has, over the past decade particularly, provided increasingly generous assistance to victims of major natural disasters. And there is genuine State and local interest in such programs, especially in areas where actual disasters have occurred.

Meanwhile, growing concentrations of population, proliferation of man-made structures, increasing interdependence of people, and expanding use of new technologies such as nuclear power have resulted in growing vulnerabilities to a wider range of possible emergencies. These now include not only war-related situations and natural disasters, but such intermediate potential hazards as terrorism, nuclear reactor incidents, foreign petroleum embargoes, prolonged massive blackouts, and large-scale industrial accidents.

Although some of the trends noted above have affected programs, there appears to be a less direct relationship between these trends and the various organizational solutions that have

been proposed or adopted over the years. A possible exception has been the disaster assistance function which, because of the expanding attention and resources devoted to it, became a significant factor in organizational considerations beginning about 1970.

Most of the issues that have been studied and discussed incident to earlier reorganizations in this area have been basic organizational questions rather than program questions. These include how much centralization of functions is desirable, exactly which functions should be consolidated and which dispersed, how high up in the Federal hierarchy the focal point or points for civil emergency preparedness should be located, and how much operating responsibility should be delegated by the policy making and coordinating body or bodies.

The number and range of substantive programs and activities involved, the number of agencies affected at all levels of government, and the fact that these programs deal in part with disasters and emergencies that actually happen and in part with contingencies (such as a nuclear attack) that hopefully will never occur combine to make this an extraordinarily difficult organizational problem. It is very probable that there is no ideal organizational solution at the Federal level for dealing with preparedness for and response to the full range of non-military crises, emergencies, and disasters that could occur

in the late 1970's or early 1980's. But the organizational history of the past three decades suggests that certain fundamental principles or guidelines merit careful attention in connection with organizational studies in this area. The following seem particularly relevant:

- The agency charged with economic mobilization and other civil emergency preparedness and response functions should be a civilian agency, because these are civil government responsibilities even though they affect both civilian and military needs. The military establishment should, of course, have an important supporting role in dealing with these problems.

- Responsibility at the Federal level for civil emergency preparedness and response should be centralized in a single agency, for administrative efficiency, to avoid duplication, to encourage dual use of available resources, and to promote better coordinated planning and programming.

- The single, central Federal agency should have a very close relationship to the President, because the functions involved are, by law or necessity, sufficiently vital that they should command the President's attention. Furthermore, they cut across the functional roles of most Federal agencies, and involve extensive cooperation with State and local governments at the highest levels.

o The single, central agency should seek to avoid involvement in operational functions. Otherwise, it would become too cumbersome and would be undertaking tasks that other, specialized agencies are better equipped to carry out.

o The range and diversity of crises and emergencies for which centralized Federal planning should be done is growing. The single, central agency should be designed to address the full spectrum of such crises and emergencies.

o Under our Federal system, and the concept of shared responsibility, Federal and state emergency preparedness and response organizations should be compatible.

o Finally, organizational changes alone will not solve all the problems inherent in this complex area. Public support, Congressional interest, active Presidential direction, and top quality people in key positions may well be more important than any particular organizational solution. But a soundly conceived organization can make an important contribution to improved programs in this area of such vital concern to the nation.

C

Summation of Public Involvement for the Federal Emergency Preparedness and Response Reorganization Project

The Federal Emergency Preparedness and Response (FEPR) Reorganization Project had several goals for its public involvement process:

o In consonance with the general philosophy of the President's Reorganization Project it sought public participation in the identification of programmatic and organizational problems in the area of Federal emergency preparedness and disaster response.

o It sought to keep the public informed of the FEPR Study's purpose and progress.

o It sought public comment on the FEPR Study's findings and proposed reorganization options.

o It sought to generate public understanding of and support for the FEPR project.

Correspondence

The first step toward achieving these goals was the dissemination of the Work Plan for the FEPR Study. Fifteen hundred copies of the Work Plan were distributed to:

Governors;
State Directors for Disaster Preparedness;
State Departments of Community Affairs;
State Planning Offices;
Public Interest Groups;
Voluntary Relief Organizations;
Environmental Groups, and;
Private Interest Groups in the insurance, home building, real estate and banking industries.

The Work Plan was also mailed to the membership of the Senate and House subcommittees with legislative jurisdiction over the Defense Civil Preparedness Agency (DCPA), Federal Disaster Assistance Administration (FDAA) and the Federal Preparedness Agency (FPA).

In addition the U. S. Civil Defense Council published an article in its November "Bulletin" which described the FEPR study and solicited comments from its membership.

The response to these initiatives was comprehensive and informative. Every state and the territories of the Virgin Islands, Puerto Rico, the Canal Zone, American Samoa and Guam commented on the Work Plan and issues they felt were relevant to the study. Local government officials, voluntary organizations, members of Congress and concerned individuals sent another 138 letters expressing their views on the subject of Federal emergency preparedness and response.

The problems they identified and the recommendations they made are tabulated on the following page. For simplicity's sake the problems are tabulated in the broad categories of program authorities, policy making, program structure and disaster mitigation and relief. Specific issues that were raised under each of these categories are stated in Part II, Problem Identification of Appendix A.

The most frequently cited problems were:

- lack of clear program authorities;
- lack of continuity and national leadership in policy development;
- duplication in and poor coordination of preparedness and response programs, and;
- failure to integrate hazard mitigation, preparedness and response planning and programming.

Seventy-three percent of the responses recommended development of a national all hazard preparedness program and consolidation of the DCPA, FDAA and FPA. Numerous local Civil Defense Directors also recommended additional funding for local preparedness programs and many emphasized the need for public education and training. Although the Project staff took note of these recommendations, these Directors were advised that increased funding for preparedness programs is a legislative issue and, as such, is not within the jurisdiction of the Reorganization Project.

The FEPR project printed two newsletters in December reporting on the progress of the study and events such as the FEPR Regional Meetings. This newsletter went to the membership of the Senate and House Subcommittees with legislative jurisdiction over the DCPA, FDAA and FPA, nineteen

FEDERAL EMERGENCY PREPAREDNESS AND RESPONSE REORGANIZATION PROJECT
JANUARY 31, 1978

PROBLEM IDENTIFICATION	Governor	State CD Director	Local Government	Congressional/ Volunteer/ Other	Percent of Total Correspondence
Program Authorities Unclear	14%	14%	20%	10%	17%
Inadequate Policy Development	9.5%	22.5%	34%	10%	28%
Poorly Designed Program Structure	66.5%	44%	25%	40%	37%
Ineffective Disaster Mitigation and Relief	14%	28%	25%	10%	23%
RECOMMENDATIONS					
Consolidation of FDAA, DCPA and FPA	66.5%	65%	83%	36%	73%
Additional Funds for Training	9.5%	16%	8%		9%
Additional Funds for Response		16%	42%	25%	29%
Letters Received	21	43	124	14	

TOTAL CORRESPONDENCE 284

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Additional Funds for Response		16%	42%	25%	29%
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TOTAL CORRESPONDENCE 284

public interest groups, ten environmental groups, nineteen voluntary organizations and nine environmental and private interest groups. This was the means by which the Project Director kept a broad group of people generally advised of the Project's activities during the data analysis stage of the project.

The FEPR Project has worked closely with the Disaster Assistance Subcommittee of the National Governors' Association which has initiated a study of state organization for emergency preparedness and response that parallels the FEPR Study. On December 12, 1977, Governor Mike O'Callaghan, in his capacity as chairman of this Subcommittee, sent out a "Disaster Preparedness Survey" that requested feedback on issues being addressed by the FEPR Study. All of the States responded to this survey.

Forty-two states specifically recommended consolidating DCPA, FDAA and FPA. They emphasized the need to provide states with one Federal point of contact regarding emergency preparedness and response policy and the need for effective coordination of disaster response programs. The survey responses also highlighted individual problems created by the existing Federal organization of these programs.

Meetings

Greg Schneiders, FEPR Project Director, attended the first meeting of the full Governors' Subcommittee on December 19, 1977. At that time he reviewed the progress of the FEPR Study and discussed the Project's most likely reorganization recommendation -- formulation of an all hazard preparedness policy and consolidation of DCPA, FDAA and FPA. The Subcommittee was unanimous in its support of this recommendation. The proceedings of this meeting are summarized in "Attachment I" of this paper.

Greg Schneiders also chaired three meetings on December 8 and 9, 1977 with representatives of national public interest groups, voluntary relief organizations, environmental groups and private sector interest groups from the insurance, real estate, home building and mortgage banking industries. Each of these meetings is summarized in Attachment I. The purpose of these meetings was to further encourage these organizations to identify problems in the area of Federal emergency preparedness and response and they were very successful in accomplishing this objective.

Among the points stressed by these organizations were:

- The Federal government must begin to integrate hazard mitigation, emergency preparedness and disaster response programs;
- Greater coordination of Federal disaster response programs is needed, and;
- The Federal government must assume a leadership role in emergency preparedness.

The FEPR Project held four regional meetings in Chicago, San Francisco, Philadelphia and Atlanta in January. These meetings began with an overview of the FEPR Reorganization Project and a summation of Study activities, findings and possible reorganization recommendations. The format of the meetings allowed general public comment on the Study, questions and statements for the record and small group discussion of specific organizational issues based upon a discussion paper prepared by the FEPR Project staff.

The regional meetings were well-attended with more than 100 people at each of the meetings in Chicago, San Francisco and Atlanta. Participants came from nearly all fifty states with the New England states being the notable exception. Attendance from these states was limited by the severe winte storm that struck the northeast just prior to the January 19 meeting in Philadelphia. However, several of these states did submit written comments in lieu of being represented at the meeting. In addition to broad geographical representation, a cross-section of interests was represented. Voluntary relief organizations were well represented at each meeting as were the Governor's officies, State legislative bodies, county government, city government and the National Guard.

The organizational problems cited by the meeting participants served to reinforce the comments already received through the mail and through the Washington meetings with national organizations. The meeting discussions evidenced solid public support for a national all hazard preparedness program and consolidation of the DCPA, FDAA and FPA. They also indicated good understanding of the program and policy implications of such a merger.

These larger meetings were supplemented by a number of smaller meetings between the Project staff and interested individuals and organizations. These included several meetings with the Reorganization Subcommittee of the U. S. Civil Defense

Council, several meetings with the Executive Committee and two with the full membership of the National Association of State Directors for Disaster Preparedness (NASDDP) meetings with individual State Directors and meetings with officials of voluntary relief organizations, public interest groups, and the insurance industry.

The case studies conducted for the FEPR study were also vehicles for public problem identification and comment. The Kentucky Flood case study, the Drought case study, the Crisis Relocation Planning case study and the Flood Insurance case study were all particularly effective in this regard. Project staff also interviewed State and local officials and private citizens in Johnstown, Pennsylvania, in order to compare the flood experience there with the findings of the Kentucky flood case study.

Public Sector Advisors

Finally, the FEPR Project sought feedback on specific elements of the study, such as the case study findings and the reorganization options from selected public sector advisors. These advisors included ten U.S. Senators and Representatives, the members of the NGA Disaster Assistance Subcommittee and representatives of the National Association of State Directors for Disaster Preparedness and the U.S. Civil Defense Council. Three informal discussion meetings were held with 14 recognized experts in civil emergency preparedness. Half of these were officials of emergency preparedness organizations in previous administrations. The others were from academic life or Congressional policy staff. These advisors provided the project with an important means of testing its findings, organization analysis and proposed recommendations against the public perception of problems and possible solutions to those problems in this area of Federal activity. Many of them will be consulted by Congress in the event a reorganization plan is sent forward.

Public involvement activity in the FEPR Project will continue through the date on which the Reorganization Plan is submitted to Congress. Linkage with the National Governors' Association and its Disaster Assistance Subcommittee will be maintained as will communications with other organized interest groups such as the NASDDP and the Civil Defense Council.

Conferences and Discussions by Members of the FEPR Reorganization Project

May 11, 1977	Meeting with representatives of the National Association of State Directors for Disaster Preparedness (NASDDP), Washington, D.C.
July 11-13, 1977	Annual meeting of NASDDP, Seattle, Wash.
July 15, 1977	Meeting with Director and staff of National Governors' Association, Washington, D.C.
September 8-9, 1977	Semi-Annual meeting of the National Governors' Association, Detroit, Michigan
October 3-5, 1977	Annual Conference of the U. S. Civil Defense Council, Long Beach, Calif.
October 26, 1977	American Insurance Association Committee Meeting, Crystal City, Va.
November 14-15, 1977 and December 6, 1977	Meetings of Reorganization Subcommittee of the U.S. Civil Defense Council Washington, D.C.
December 7-8, 1977	Meeting of Reorganization Committee of NASDDP, Asheville, North Carolina
January 31, 1978	Voluntary Relief Organizations' subcommittee on Domestic Disaster Response, Washington, D.C.
February 7, 1978	Meeting of Executive Committee of NASDPP, Washington, D.C.
February 15, 1978	Annual Preparedness Conference for State and Local Officials, sponsored by the State of Texas, Division of Disaster Emergency Services
February 26-28, 1978	Semi-Annual Meeting of the National Governors' Association, Washington, D.C.

Attachment I

Meeting Summaries

Voluntary Relief Organizations - December 8, 1977.

Greg Schneiders, Director of the FEPR Reorganization Project, chaired a meeting with representatives of fourteen voluntary relief organizations including the American National Red Cross, the Salvation Army, the National Catholic Disaster Relief Committee and the Mennonite Disaster Service.

The primary purpose of this meeting was to discuss issues that these organizations with particular expertise in the area of disaster relief believed were relevant to the FEPR Study. Three general themes ran through the discussion:

1. An emphasis on cooperation and coordination, rather than direction and control, in the relationship between the Federal government and the private, nonprofit sector;

2. The need to place more importance on natural disaster preparedness and to integrate natural disaster preparedness and response, and;

3. The need to maintain civilian control over emergency preparedness and response.

The most pressing problem these organizations wanted addressed by the FEPR Project was the duplicate information required by Federal agencies providing disaster assistance. They felt that information obtained from disaster victims should be shared between agencies and that the Privacy Act should be amended to allow this information to be shared with voluntary organizations. In addition they felt that Federal assistance programs should be better coordinated and consolidated, with the Federal government sorting the assistance programs for the victims rather than vice versa.

Public Interest Groups - December 9, 1977.

Greg Schneiders, Director of the FEPR Reorganization Project, chaired a meeting with representatives of ten national public interest groups including the National Governors' Association, the National Guard Association, the Council of State Governments and the U.S. Conference of Mayors. The groups invited to this meeting were those whose membership is particularly impacted by a natural disaster declaration or civil defense preparedness policies.

The group felt that the following changes were needed at the Federal level:

1. A more coordinated Federal response to natural disasters;
2. Development of a leadership role for the Federal government in natural disaster preparedness, and;
3. Integration of attack and natural disaster preparedness and response through consolidation of the DCPA, FDAA and FPA.

Problems cited by the group included the confusion and lack of coordination in Federal natural disaster response programs and the lack of a well-defined Federal role in natural hazard mitigation and preparedness for natural disasters.

Environmental and Private Interest Groups - December 9, 1977.

Since the National Flood Insurance Program is the largest Federal, nonstructural, natural hazard mitigation program, environmental and private interest groups with specific interest in this program were invited to a meeting chaired by Greg Schneiders on December 9, 1977. They included the American Insurance Association, the American Bankers' Association, the U. S. League of Savings Association, the National Association of Homebuilders and the National Association of Realtors. The purpose of the meeting was to discuss this group's view of the NFIP and its relation to a reorganization of Federal emergency preparedness and response programs.

Meeting participants agreed that flood insurance is the alternative to increased Federal outlays for disaster relief. They also pointed out that most people are not inclined to buy insurance that they do not have to buy. Flood plain residents generally did not purchase flood insurance until lenders started requiring it as a condition of mortgage loans under the provisions of the Flood Disaster Protection Act of 1973.

The flood plain management requirements of the NFIP prevent the program from subsidizing future unwise flood plain construction.

The NFIP would never totally replace Federal disaster assistance because the insurance applies to structures only while disaster assistance applies to a community's infrastructure as well as to human needs such as unemployment compensation and temporary housing.

In summary, participants felt that the Federal government provides too much in the way of disaster response as compared to the few incentives for preparedness and mitigation. They felt that a consolidation of Federal preparedness and response programs ought to include strong emphasis on mitigation.

NGA Disaster Assistance Subcommittee, December 19, 1977.

Greg Schneiders, Director, FEPR Project, met with members of the National Governors' Association Disaster Assistance Subcommittee, chaired by Nevada Governor Mike O'Callaghan on December 19, 1977.

The Subcommittee is supervising a DCPA funded project, to develop an information manual for Governors on State preparedness for all types of emergencies. The purpose of the meeting was to enhance cooperation between the Subcommittee's project and the FEPR Project. Subcommittee members did point out several areas of state concern regarding Federal reorganization:

1. The Federal government ought to develop a comprehensive policy defining the steps necessary for a disaster declaration as well as federal services for mitigation, preparedness, response and recovery;

2. The FPA, FDAA and DCPA ought to be consolidated, and;

3. The consolidated agency must have the authority and influence to manage federal assistance programs (regardless of agency designation) in the best interest of victims.

They concluded by restating their intention to cooperate with the FEPR Project and emphasized that coordinated response capabilities are imperative at all levels of government.

Federal Emergency Preparedness and Response Reorganization Project Regional Meetings

The FEPR Reorganization Project sponsored four Regional Meetings in January:

Chicago - January 12
San Francisco - January 13
Philadelphia - January 19
Atlanta - January 20

These meetings were designed to encourage further problem identification at the State and local level and to inform State and local government officials, voluntary organizations private interest groups and concerned individuals of the preliminary findings and reorganization options being considered by the Project staff. The format of the meetings included presentations by Greg Schneiders, Project Director, and Deputy Directors Bill Jones and Nye Stevens, questions and statements for the record from the whole group and small group discussion of specific reorganization issues based upon discussion papers prepared by the Project.

Invitations went to Governors, State officials with responsibilities for emergency preparedness or disaster response, State Legislators, State Associations of Counties, Mayors, Regional Councils, Voluntary Organizations and public and private interest groups. Four hundred thirty-five people representing most of the states and a broad cross-section of interests, attended the four meetings.

The most commonly expressed concerns were lack of a clearly defined Federal role in natural disaster preparedness, lack of national leadership in civilian attack preparedness, lack of Federal coordination in natural disaster response and failure to integrate Federal preparedness and response programs. Participants expressed nearly unanimous support for an all hazard preparedness program and consolidation of DCPA, FDAA and FPA.

Joint Council of National Fire Service Organizations - February 23, 1978.

Greg Schneiders, Project Director, Nye Stevens and George Jett met with the Joint Council of National Fire Service Organizations in order to brief them on the possible inclusion of the National Fire Prevention and Control Administration in a new agency dealing with hazard mitigation, emergency preparedness and response. The Joint Council has eleven member organizations representing about two million people in the fire service field.

The Joint Council expressed concern about maintaining the NFPCA's program integrity in a new agency. Greg indicated that this would have to be worked out as an organizational decision after the President has acted on the FEPR Project's recommendation. The Joint Council has adopted a "policy neutral" stance on the proposed transfer pending later organizational decisions.

Public Interest Groups - March 1, 1978.

Greg Schneiders, Project Director, Nye Stevens and George Jett met with representatives of the National Fire Chiefs Foundation, the Urban Consortium, the National League of Cities and the International City Management Association to discuss the possible inclusion of the NFPCA in a new hazard mitigation, emergency preparedness and response agency. Similarities and differences between the NFPCA's functions and the activities of other agencies targeted for inclusion were reviewed.

D

FUNCTIONS OF FDAA, FPA AND DCPA

Federal Preparedness Agency (GSA)

The FPA is responsible for the coordination and development of national civil preparedness policies and plans and the fostering of State and local participation in preparedness programs. It also conducts policy and programing functions incident to emergency mobilization of industrial resources to meet defense needs and the maintenance and disposal of critical stockpile materials.

Particular responsibilities include: emergency availability of resources (e.g., manpower, materials, industrial capacity); civil defense policy; emergency organization of government; emergency stabilization of the civilian economy; rehabilitation after enemy attack; continuity of Federal, State and local governments; administration and coordination of the National Defense Executive Reserve Program; and participation in the NATO and other international civil emergency planning activities.

Federal Disaster Assistance Administration (HUD)

The FDAA is responsible for the direction, management and coordination of the Federal disaster assistance program authorized in the Federal Disaster Relief Act of 1974. The FDAA provides direction and overall policy coordination for disaster program activities delegated the President, which involves administration of the President's Disaster Relief Fund; management or programs concerned with disaster research, preparedness, readiness evaluation, disaster relief and recovery; and coordination of other agency disaster assistance activities. The FDAA directs regional and field office disaster assistance activities through the Regional Directors for Federal Disaster Assistance.

Defense Civil Preparedness Agency (DOD)

The DCPA is responsible for administering the National Civil Defense Program, in accordance with the Federal Civil Defense Act of 1950, including planning guidance and financial assistance to State and local governments in their achievement of total disaster preparedness. In meeting this responsibility, DCPA coordinates and provides direction to State and local governments in the development of civil defense systems, including a civilian and crisis evacuation program, a chemical, biological, and radiological defense program, a program to

alert the population of enemy attack, a program to provide emergency assistance to State and local governments in a post-attack period; and programs for making financial contributions to the States for civil defense purposes.

DCPA is also responsible for supporting programs including training and education, research and development, emergency public information, participation by industry and national organizations, and foreign civil defense liaison.

A breakout of the specific functions of the three agencies, in terms of mitigation, preparedness, relief and recovery, is attached. This array was useful to the Project in assessing the nature and scope of responsibilities now assumed by each agency.

FPA Mitigation Functions

o manages the FPA special facility and the interagency communications system which are central elements in the Federal continuity of government program

FDAA Mitigation Functions

o supports a program of hazard mitigation as a condition of loans or grants for disaster relief

o provides technical assistance to the States for developing comprehensive plans for hazard reduction, avoidance, and mitigation

DCPA Preparedness Functions

o coordinates civil defense policy, planning and administration with Federal departments and agencies

o manages a program of research and development to support civil defense planning and systems design

o develops civil defense plans for:

(a) emergency warning and communications systems
(b) industrial protection
(c) emergency public information and communications
(d) sheltering and evacuation of the population
(e) radiological defense
(f) chemical and biological defense
(g) training and education
(h) emergency direction and control
(i) postattack damage assessment

o administers a program of disaster preparedness assistance to State and local government which includes:

(a) support of State and local civil defense staffing
(b) construction, maintenance and equipping of State and local Emergency Operations Centers
(c) support of State and local communications and warning systems, plans and materials
(d) technical support of State and local direction and control planning
(e) systems maintenance and training for radiological defense
(f) support of State and local civil defense training seminars and materials
(g) support for State and local emergency public information plans/materials
(h) support for State and local shelter surveys and marking
(i) support of State and local plans for in-place and crisis relocation protection
(j) provision of Federal property (excess) to State and local government

o administers a program (with U.S. Army) to provide national civil defense warning and emergency communication systems at Federal, State and local level

o administers a program for the development, engineering, procurement, supply and support of radiological defense systems

o administers a program to design, develop, publish and disseminate civil defense public information

o administers a program for research, development and systems design of civil defense systems and equipment

o administers a program to enhance and assure dissemination of emergency civil defense information to officials and the public

o administers a program (using Corps of Engineers resources) to provide for a national shelter system for protection of civilian population

o administers a program to provide Federal support and assistance to State and local governments in a postattack period for emergency operations

o manages the national Civil Defense Staff College

o operates the Federal Relocation Centers

o develops and pre-positions public emergency information

o maintains inventory data on shelter facilities

o conducts tests of the civil defense warning system

o represents U.S. in NATO Civil Defense Committee meetings

FPA Preparedness Functions

o advises and assists the President in the determination and coordination of policies and requirements for emergency preparedness activities of the Federal government during all conditions of national emergencies

o provides US permanent representation to the NATO Civil Emergency Planning Committee

o formulates policies for the management of the National stockpile of strategic and critical materials

o administers a program for the identification and prevention of resource shortages which threaten the national defense

o conducts assessments of US industrial base capabilities to support military and civilian requirements for a range of national security contingencies, develops recommendations to improve the base, and coordinates interagency activities related to industrial preparedness

o provides plans and policies and coordinates Federal responses for the mobilization and management of the Nation's human, natural and industrial resources during all conditions of national emergency

o maintains a standby program for the stabilization of the civilian economy in time of national emergency

o administers a program to assure the continuity of the Federal government during national emergencies and provides guidance on the continuity of State and local governments

o administers a National Defense Executive Reserve program

o directs a central research planning program for dealing with all aspects of emergency preparedness

o develops policies, plans and programs for post-attack recovery of the nation

o provides for the advance preparation of Federal emergency authorities

o administers a program for the dispersal and protection of facilities important to defense mobilization, defense production and the essential civilian economy

o represents the President in working with State governors to stimulate vigorous State/local participation in emergency preparedness measures.

o provides a mathematics and computation capability for research and analysis as a basis for decision making in emergency preparedness

o provides for administrative support to the FPA staff

FDAA Preparedness Functions

o preparation of plans for warning, emergency operations, rehabilitation, and recovery

o training and exercises

o post-disaster critiques and evaluations

o coordination with Federal, State and local preparedness programs

o research

o one-time grants to States for the development of plans, programs and capabilities for disaster preparedness and prevention

o technical assistance to State and local governments for preparation against and assistance following emergencies and major disasters

o annual matching grants to States for improving, maintaining and updating State domestic-disaster assistance plans

FPA Response Functions

o provides overall policy direction and control for a priorities and allocations program for national defense and domestic energy maximization

FDAA Response Functions

o conducts surveys of disaster-stricken areas, evaluates the impact in connection with a request by a Governor for a declaration, and makes recommendations to the President

o manages and directs the Federal response to a declared emergency or major disaster. Also, coordinates the activities of private relief organizations.

o establishes field offices, public information systems, communication networks, emergency support teams, public transportation systems, and resource allocation programs; assures adequate stocks of food and provides for legal services

o issues mission assignments to appropriate Federal agencies and private relief organizations to carry out emergency relief work in cooperation with State and local governments

DCPA Recovery Functions

o conducts post-attack damage assessment, including plotting radiological information on broadscale hazards of weapons detonation for civil government

FDAA Recovery Functions

o administers the President's disaster fund which provides financial assistance in the form of loans or grants to:

(a) State and local governments to help repair, restore, reconstruct or replace public facilities or private non-profit facilities, remove debris and wreckage, and reimburse for emergency actions taken during the period of incidence
(b) DHUD for costs of providing temporary housing
(c) D.O.L. for disaster unemployment assistance
(d) State agencies for the Federal share of a grant program to individuals for meeting serious needs or necessary expenses
(e) N.I.M.H. for crisis counseling assistance
(f) local governments to cover losses of tax or other revenues
(g) various Federal agencies and private relief organizations carrying out missions directed by FDAA

o conducts technical reviews of projects for compliance with environmental standards

o administrating of program providing financial assistance to States in FDAA Administrator-declared forest or grass fire disasters

o conducts audits of accounts to assure compliance with regulations, criteria and policy

E

MISSION STATEMENT

The mission of the agency, under the direction of the President, is to protect the civilian population and resources of the Nation and preserve the continuity of constitutional government in times of major emergency. It shall develop policies and plans and direct, monitor and coordinate Federal programs and activities for preparedness for, mitigation of, response to and recovery from natural, accidental, terrorist, and wartime civil emergencies.

The agency, in discharging its responsibilities shall: (1) advise and assist the President in the development, coordination, planning and administration of Federal policies, plans and programs to prepare for, mitigate, and provide relief and recovery assistance in the event of major emergencies, to protect the civilian population, the nation's resources and to assure the continuity of Federal, State and local governments; (2) direct the planning, coordination and administration of all Federal activities in support of State and local government for providing emergency assistance, relief and long-term recovery to the civilian population in response to a declared major disaster or emergency, including management of a national crisis control center and advising the President on the nature and extent of the emergency and the degree of need for Federal assistance, coordination of on-site emergency relief and recovery operations and post-emergency critique and evaluation; (3) develop and implement plans and programs and coordinate activities within the Federal Government and with State and local governments to enhance disaster mitigation, preparedness, relief and recovery policies, systems, plans and procedures; (4) plan and administer programs for the training and education of Federal, State and local officials and the public on policies, plans and programs to prepare for, mitigate and provide relief from the effects of major emergencies; (5) coordinate, plan, and direct research, development and testing, public information, and data gathering, analysis and dissemination programs relating to major emergencies and undertake joint efforts with State and local governments and the private sector designed to share existing knowledge, and to set hazard reduction standards; (6) undertake selected operational responsibilities, to be closely integrated with the planning, coordinating and administrative responsibilities of the agency; (7) coordinate the emergency plans and programs of other Federal departments and agencies which affect long-term recovery of citizens and communities suffering the effects of major emergencies; (8) manage programs for emergency mitigation, prevention and control through public information, insurance, land use planning, codes and regulations, research, training and education; (9) coordinate, plan and direct the emergency resource management activities of the Federal

Government, including industrial mobilization planning, strategic stockpile, import surveillance and policy review over central resource and essential service interruptions; (10) provide a central point for inquiry to those in need of advice or information regarding Federal assistance programs designed to prepare for disasters, to mitigate their impacts and to help those stricken by major emergencies and (11) prepare annual reports to the President and the Congress on the state of the Nation's emergency preparedness and the activities undertaken by the agency in all aspects of its responsibilities.

The Administrator shall be empowered to delegate, with reallocation of funds as appropriate, specified authorities to other departments or agencies.

F

DUAL USE

Definition

"Dual use," in the program and policy context of this report, is the use of resources (personnel, facilities, communications systems, equipment) which are justified on the basis of national civil defense requirements and paid for with funds authorized for civil defense purposes, to meet other than civil defense emergencies. The dual use issue is fundamentally one of the extent to which the authorities and appropriations of the Federal Civil Defense Act of 1950 (Public Law 81-920, as amended) ought to be used to further activities that prepare for and respond to local emergencies and natural disasters, particularly in light of separate authorities (the Disaster Relief Act of 1974, Public Law 93-288) which indicate that Federal disaster relief is supplemental to State and local efforts.

Background

The dual use controversy is founded in those portions of the Federal Civil Defense Act which:

- o authorize State and local civil defense organizations to claim Federal surplus property;
- o provide for Federal contributions, on a 50-50 matching fund basis, to the salaries and expenses of State and local civil defense staffs, and;
- o provide for Federal contributions for approved civil defense materials and facilities.

The benefits are made available on the basis of a justification of their contribution to the development or maintenance of a civil defense (attack preparedness) capability.

As early as 1963, the Congress began to reconsider these limitations on the use of civil defense funds, using the following rationale:

- o Civil defense organizations at the State and local levels are among the first on the scene when natural disaster strikes.
- o The public has a right to a peacetime return for its civil defense expenditures.
- o There are a large number of elements which are common to the preparation for and response to both natural disasters and nuclear attack.

o A closer association of civil defense organizations and capabilities with natural disaster preparedness and response will improve public understanding and support and increase the credibility of the attack preparedness aspects of civil defense.

These remain the salient arguments in support of dual use today. They have been advanced more forcefully in recent years, principally as the result of two factors:

o The deemphasis of civil defense since the early 1960's which has resulted in an overall decline in Federal funding for State and local civil defense organizations.

o The attempt of the previous Administration to reduce the civil defense budget from $87 million in FY 1976 to $40 million in FY 1977 to provide funding only for those programs directly related to nuclear attack preparedness.

The proposed action in the FY 1977 budget (which was ultimately increased substantially by the Congress) resulted in a number of responses.

House Hearings

In February 1976 a Civil Defense Panel of the Subcommittee on Investigations of the House Committee on Armed Services began hearings on the Civil Defense program, which dealt extensively with the dual-use issue. The Panel reported:

> . . .witnesses. . .bore down heavily on the adverse consequences of [the proposed] restrictive approach. They pointed out that emergencies and disasters whether natural or man-made, whether in wartime or peacetime, demand a unified response and use of all available resources by State and local authorities. They simply cannot afford to maintain separate organizations for different kinds of disasters.

One result of the Panel's hearings was an amendment to the Federal Civil Defense Act providing a statement of congressional policy on the dual use issue. Approved on July 14, 1976, Section 804(a) of Public Law 94-361 added a sentence to Section 2 of the Act, as follows:

> The Congress recognizes that the organizational structure established jointly by the Federal Government and the several States and their political

subdivisions for civil defense purposes can be effectively utilized, without adversely affecting the basic civil defense objectives of this Act, to provide relief and assistance to people in areas of the United States struck by disasters other than disasters caused by enemy attack.

Joint Committee Hearings

In April of 1976, the Joint Committee on Defense Production began an extensive review of civil preparedness in the United States. Its Report, issued in February of 1977, expressed the Committee's concern that:

> Among the most serious of recent trends is the tendency to make nuclear attack preparedness an entirely separate and distinct function from peacetime emergency preparedness. This is of particular concern in view of the mounting evidence of increased social and economic vulnerability to non-military threats or disasters. A rigid distinction of this kind also contradicts the experience of most planners that the most important preparedness functions are non-specific as to type of disaster and that programs directed against the most common types of peacetime disaster provide an excellent base for nuclear attack response. . . . The question . . . is not whether it is feasible to think of nuclear and natural disaster as conceptually different but whether it is desirable to base programs and allocate resources on these differences.

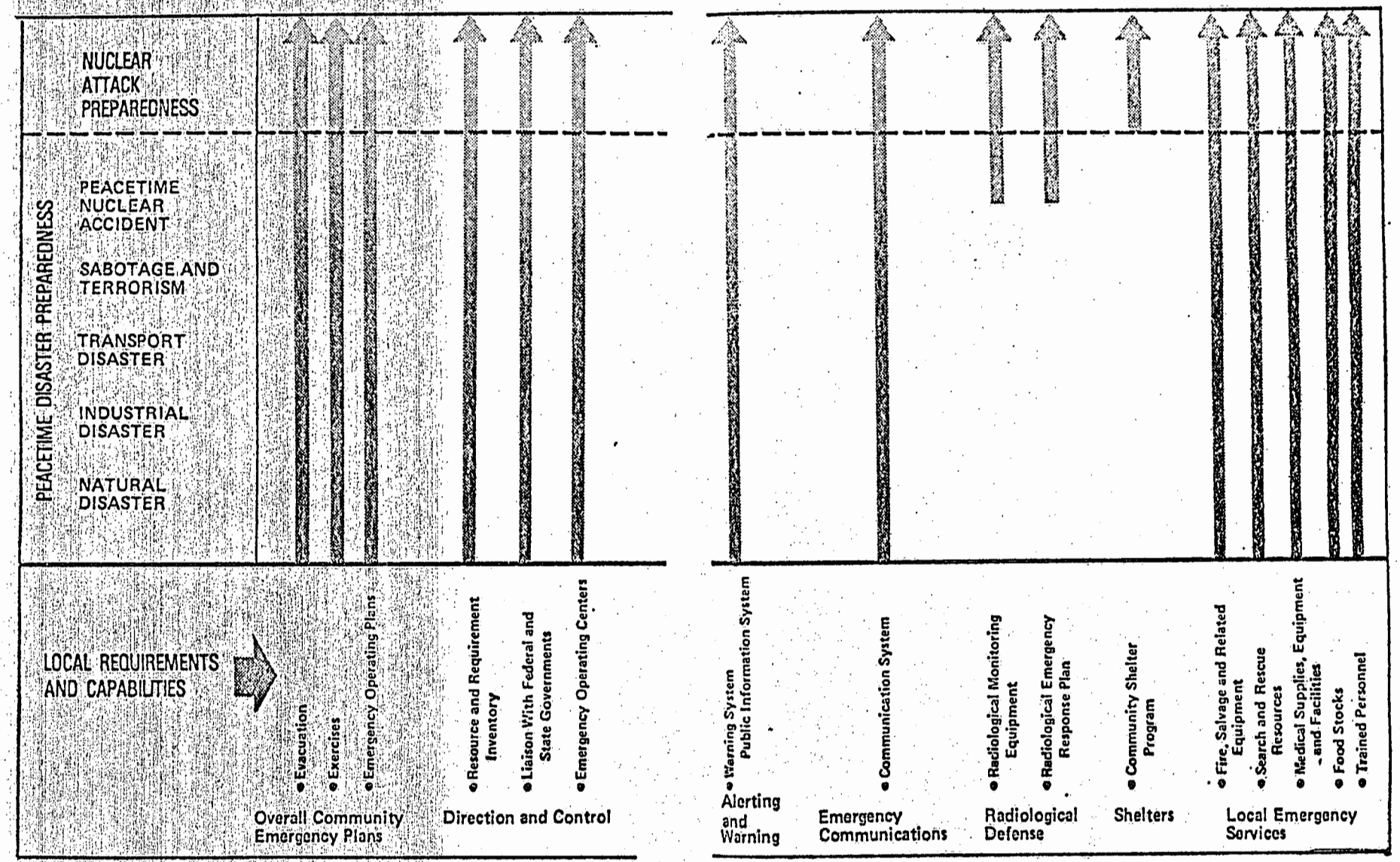
The Committee illustrated its conclusion that there are extensive similarities between nuclear attack and other disaster preparedness in a chart, which is reproduced on the following page.

General Accounting Office Report

In a report on the Civil Defense program, issued on August 8, 1977, the GAO concluded that,

> . . . . From a practical standpoint, the dual-purpose concept remains the best means of developing the State and local organizational structure. In addition, experience acquired during natural disasters aids in developing nuclear survival capabilities.

TABLE K—CONTRIBUTION OF COMMUNITY PEACETIME DISASTER PREPAREDNESS TO NATIONAL NUCLEAR ATTACK PREPAREDNESS



Current Department of Defense Policy

In a "Statement on Civil Defense," approved by DOD and issued on May 16, 1977, over the signatures of the Director of DCPA, the President-Elect of the National Association of State Directors for Disaster Preparedness, DCPA acknowledges that the Federal Government:

> . . . cannot carry out its partnership responsibility to support attack preparedness unless local and State jurisdictions leave adequate total disaster preparedness. Local and State governments have the responsibility to provide preparedness for enemy attack as well as peacetime disasters. Therefore, DCPA's financial assistance to local and State governments in the future may be used to achieve total preparedness against any risk. Local government, State government and DCPA will together work out appropriate guidelines so that the citizens of the several States, the President, and the Congress can be assured of progress in achieving attack preparedness on a State-by-State basis.

Conclusions

The Project concludes that endorsement of the dual use approach is warranted on the following bases:

- It is reasonable to build a nuclear emergency preparedness and response capability on skills and organizations which exist to meet everyday emergencies. Such an approach makes the planning more realistic, reinforces its legitimacy, and increases the chances of the plans being carried out in an actual emergency.

- It is a rational use of resources, particularly at State and local levels of government, which cannot afford to maintain separate organizations for performance of narrowly prescribed missions.

- It is the only concept for which a broad base of congressional support can be achieved.

Organizational Implications

The principal argument against the dual use policy is that the main purposes of civil defense preparedness will be diluted and ultimately ignored as the result of excessive emphasis on natural disaster preparedness and response. This difficulty was recognized by the House Armed Services Committee in the Report referenced earlier:

> The panel expects that even with the committees endorsement of the continued dual use of civil defense funds, the State and local agencies will strike the proper balance and insure that civil defense capabilities are in the forefront of their preparedness planning and operations.

The Project believes that the balance can be effectively acheived only under consistent policy guidance provided by an agency with management and oversight responsibility for both disaster relief and civil defense authorities. This is one of the fundamental bases of our reorganization proposal.

G

APPENDIX G

Function/Program: Earthquake Hazards Reduction Program

Parent Agency Location: Office of Science and Technology Policy, Executive Office of the President (Temporarily)

Background/Function Description

Development of a comprehensive earthquake hazards reduction program (EHRP) and multi-year implementation plan has been in progress since October 1977, with passage of the Earthquake Hazards Reduction Act of 1977 (P.L. 95-124). The objectives are to reduce risks of life and property from future earthquakes through (1) preparedness and response planning; (2) technologically and economically feasible design and construction methods, procedures and codes; (3) land-use restrictions; (4) research to develop a reliable earthquake prediction capability; (5) communication and education; and (6) appropriate research of physical, engineering, and social science problems. Research in progress may in time improve our prediction capabilities which could also contribute to reducing earthquake losses.

The President assigned the responsibility for the development of a program to the Office of Science and Technology Policy, Executive Office of the President, for the time required to prepare the initial comprehensive programs and an implementation plan that is mandated by the Act and must be submitted to the Congress by May 1, 1978. The program and plan are being developed by OSTP staff, detailees from Federal agencies, a consultant, and an advisory group.

There is an agreement that the ultimate "home" for the ongoing coordination and management of the EHRP will be decided in reorganizing the Federal emergency preparedness and response functions.

Assessment. The key considerations that support a decision to include this program in the new agency include:

1. In areas of medium or low seismic risk, especially east of the Rocky Mountains, awareness of the need for earthquake hazards reduction measures is low; the EHRP can be sucessful in such regions only as part of a multi-hazard mitigation approach.

2. Linkages to State/local governments, volunteer agencies, and the private sector, which the core functions of the new agency have, would be very useful to the EHRP.

3. State/local governments would have a single point of contact for all hazards reduction programs.

4. The EHRP could perform its activities in a more cost-effective manner by using support services available to the new organization.

5. Since many EHRP activities are in research, there is always the prospect that the program can become insulated from real life issues and problems; this can be avoided by placing EHRP in an organization with continuing activities in intergovernmental and Federal agency coordination and in emergency management.

OSTP has no interest in long-term direction of the EHRP and fully supports incorporation in a new agency with broader hazard mitigation responsibilities. There is some apprehension within the research community that the new agency, like its predecessors, may not place enough emphasis on research and that the EHRP may be submerged by other activities and priorities

Transfer of the EHRP to the new agency will fulfill the requirement under Section 5(b) (3) of P.L. 95-124, that the President designate within 300 days after date of enactment (October 7, 1977) the Federal organization which shall have primary responsibility for the development and implementation of the EHRP. Section 7(a) of P.L. 95-124 authorizes appropriations of $2,000,000 each for fiscal 1979 and 1980 to implement the central planning and coordination of the EHRP.

RECOMMENDATION: Assign planning and coordination of the EHRP to the new agency.

H

Function/Program: Dam Safety Coordination and Planning

Parent Agency Location: Federal Coordinating Council for Science, Engineering and Technology (FCCSET), Office of Science and Technology Policy (OSTP) (Temporary assignments only)

Background/Function Description: At present, no single federal agency is charged with an ongoing and continuing responsibility to plan for and coordinate the dam safety programs carried out by a number of federal agencies. Each agency (e.g., Corps of Engineers, Bureau of Reclamation, TVA) conducts dam safety programs in accordance with its own practices and policies. These agencies emphasize structural safety in their approach to dam safety. Although the Corps of Engineers do classify dams by hazard to people and property resulting from potential dam failure, there is little significant Federal work being conducted with state and local governments to insure the protection of lives and property through emergency preparedness procedures.

The President recognized the inherent problems associated with this situation and instituted three actions to identify solutions to problems resulting from the fragmentation of dam safety responsibilities among a number of agencies: (1) internal review of dam safety policies and practices within agencies charged with site selection, design, construction, certification or regulation, inspection, maintenance and operation, repair and disposition of dams; (2) an interagency effort under the FCCSET to coordinate and develop consistent dam safety policies and procedures and; (3) an independent review of dam safety policies and practices by a panel of recognized experts under the OSTP.

These efforts provide promise for fruitful results to better coordinate Federal responsibilities in dam safety matters; however, the principal thrust of these efforts are to the engineering aspects of dam safety. There should be equal emphasis directed to the emergency preparedness considerations, public safety planning, emergency warning procedures, evacuation and care of evacuees and recovery operations. In addition, there is needed a focal point to continue coordination of Federal dam safety programs and to assure the consistency of non-Federal dam safety with other federal emergency programs carried out with state and local governments.

Assessment: There are several factors which favor assignment of this responsibility to the new agency. First, it is basically an interagency planning and coordination function for emergency readiness and as such is consistent with other functions to be assumed by the new agency. Also, coordination of these programs will require significant involvement with state and local government which is a key feature of the new agency's efforts--its consolidation will keep the number of federal coordinating contracts with state and local governments for emergency planning at a minimum. Coordination of non-Federal dam safety programs--including public safety planning and disaster assistance--is not an appropriate function of one of the operating departments (COE).

Recommendation: Identify this function as a responsibility of the new agency. For non-Federal dams, the President has directed that the Corps of Engineers work in cooperation with states and private owners to inspect approximately 9,000 high hazard dams (dams which could cause significant loss of life and/or property in the event of failure). The responsible Cabinet secretaries and the Science and Technology Adviser are to give the President an assessment of the first phase of this inspection program in the fall of 1978.

Function/Program: Warning Oversight and Emergency Broadcast System (EBS)

Parent Agency Location: Warning Oversight Policy - None
EBS Policy - Office of Telecommunications Policy

Background/Function Description: The Department of Commerce through NOAA (NWS) is responsible for issuing weather warnings to the public and other designated local authorities. The Department of Transportation, through the FAA and Coast Guard, operates aviation and marine weather warning dissemination services. DCPA (with Army support) provides warning for enemy attack.

The fragmented Federal responsibility for warning was a specific criticism of a recent GAO report (LCD-76-105, April 9, 1976). GAO recommended that all Federal requirements for natural disaster and attack warning be better defined and further, that an integrated national program to meet these requirements and prevent proliferation of warning systems be developed. OTP was suggested as the agent to carry out this mission (Prior to reorganization of EOP).

The Emergency Broadcast System provides the President as well as State and local officials with a means of communicating to the general public during emergencies. Participation in EBS by the broadcast media is voluntary.

In this system, OTP has responsibility for overall policy, for determination of White House requirements, and for the procedures for the government control points. The FCC has responsibility for interfacing with the broadcast industry and seeking advice on system development and operations from national, state and local advisory committees. FCC determines the system design, issues appropriate rules and regulations and develops operational procedures. The DCPA broadcast station protection program provides funding to protect small broadcasting areas at the EBS stations against fallout and to install emergency generators and remote pick up units. These pick up units tie the station to local emergency operating centers. Since FCC doesn't have an extensive field structure, DCPA has also been assisting them with inspection visits to the EBS stations and other program requirements in the field.

Assessment: The warning oversight policy function recommended by GAO is not currently assigned to any agency. Essentially it is responsible for coordinating Federal Warning policy and is consistent with the mission to be undertaken by the new agency. It includes the development of national warning requirements for all emergencies and the integration of program, operational and audience requirements into a balanced system.

Although most of the functions in OTP are scheduled to be transferred to the Department of Commerce, certain national security telecommunications functions will be retained in EOP agencies. OTP believes the responsibility for EBS should remain with the national security functions. However, all emergency communications functions would be centralized in the new agency. Placement of the EBS with the policy and planning activities of other emergency communications systems should assure a more integrated development of nationwide systems to meet the requirements of national as well as state and local disasters.

Recommendation: Transfer these functions to the consolidated agency.

J

Function/Program: Management of the Consequences of Terrorist Incidents

Parent Agency/Location

FPA has been the locus of the minimal Federal planning efforts for consequences management, but the authorities for its involvement are unclear.

Background/Function Description

In the past, terrorist incidents have been isolated with only local impact. These have included bombings, hijackings, kidnappings, arson, murder and extortion. Federal, State and local law enforcement agencies have developed arrangements that permit adequate response to these symbolic incidents. Experts on terrorism predict an increase in the frequency of symbolic incidents, but, more importantly, many predict an increase in the seriousness and scope of attacks by extremist groups. Terrorism could change from isolated events to coordinated attacks causing major property damage, extensive loss of life, severe disruptions to resources, disruptions to the continuity of government or situations of unique political significance. This new dimension of the threat could cause more serious and more nationally significant social, economic and political consequences.

The Federal Government must be prepared to cope with the broadest realistic range of such consequences from disruptive terrorism. This preparedness effort must include provisions to:

- deal with the incident as a criminal act; and
- reduce the vulnerability of potential targets of terrorism and manage and coordinate relief and long term recovery from disruptions caused by terrorist attack.

The first of these requirements can be termed incident management. The second is consequences management.

Assessment

Incident management is being handled by the Special Coordinating Committee (SCC) of the National Security Council under the policy guidelines of PRM-30. When the requirement exists, the SCC coordinates the actions of the Federal law enforcement agencies involved in responding to the criminal act of terrorism. None of the responsibilities of the SCC or the law enforcement agencies would be changed by recommendations in this report. This would include intelligence, threat assessment, capabilities to use force, as well as incident management.

In contrast, the responsibilities for consequences management are not clear. As a result, Federal agencies are reluctant to plan or commit resources. The President has no one source he can turn to, to report the damage incurred, resources available to respond, and relief actions underway. To fill the void, the new agency would monitor developing terrorist incidents and, as required, report the status of consequences management efforts to the President. Consequences management in terrorism would thus be a capability in the broad all-risk, all-emergency functions of the agency. The vulnerability assessment activities of the new agency would be directed toward identification of physical actions that might be taken to reduce damage against specific kinds of targets, and identification of areas and types of scenarios that would require consequences management.

Immediately after a terrorist attack in cases where the domestic situation would be so serious as to become a matter of national security concern, it is anticipated that the SCC and the White House Emergency Management Committee would meet together and develop joint recommendations on response for the President. Staff support would be provided by both the new agency and the national security organizations. Federal efforts to meet the crisis would employ the management and coordination capabilities of both.

Recommendation

Assign responsibility to the consolidated agency for the development of a Federal capability to respond to the consequences of disruptive terrorism.

K

Function/Program: Disaster (Community) Preparedness Program

Parent Agency/Location: Department of Commerce, NOAA, National Weather Service

Background/Function Description

Since 1973, the National Weather Service (NWS) has had a State and local disaster preparedness program with primary emphasis on hurricanes, floods, and winter storms. Currently there are 18 meteorologists assigned to NWS field offices and a headquarters staff of three professionals and a secretary involved in the $900,000 program. For FY 79, OMB has approved 21 additional people and another million dollars for this program. If approved by Congress, this will be a $2 million program staffed by 43 people.

Based on the original NOAA information submission, the objective of the program "is to plan and develop preparedness programs designed to save lives and mitigate the social and economic impacts of natural disasters." The staff assists State and local agencies in developing natural disaster preparedness plans, works with these agencies in conducting periodic disaster drills including school drills, ensures rapid dissemination of warnings, encourages proper response to warnings, and enlists the aid of the media in informational-educational campaigns to increase public awareness of the threat of natural disaster. The principal policy decisions "involve sorting out the priorities in attacking the various problems associated with hurricanes, flood and flash floods, tornadoes, and natural disasters." Most of the contacts of the staff are either State/local civil defense agencies or agencies that the civil defense staffs regularly contact. There is a formal agreement between DCPA and the NWS to cooperate on this program.

The authority for the NWS disaster preparedness program stems from PL 91-606 and PL 93-288 which are the primary FDAA statutes. A formal delegation from HUD (FDAA) to Commerce based on this legislation provides the principal authority.

Based on the position description for the disaster preparedness field staff, they:

- o work closely with Federal, State and local officials having responsibility for the protection of life and property against natural disasters;

- o assist directly in the organizational and operational planning and training necessary to establish community warning organizations;

o collect information necessary for improvement of the overall State preparedness program including evaluation of the level of preparedness;

o assist in the development and implementation of training and educational programs on disaster preparedness;

o identify communities vulnerable to natural disasters and participate in damage surveys and preparedness investigations;

o prepare and disseminate weather forecasts (not over 25 percent of the time).

Typical publications developed under the program include: "Tornado Preparedness Planning," "Guide for Flood and Flash Flood Preparedness Planning" and "The Homeport Story: An Imaginary City Gets Ready for a Hurricane."

Assessment

The purposes, the people and agencies contacted, the suggested actions, and the program requirements of the NWS disaster preparedness program are virtually identical to the corresponding emergency preparedness elements of DCPA. Separate contacts by NWS personnel and DCPA personnel with State and local agencies on highly related preparedness measures supports the perception and criticism of Federal preparedness program fragmentation.

The NWS has a high degree of competence related to their forecasting, warning dissemination and natural disaster risk assessment (e.g., flood assessment) responsibilities. Trained meteorologists and hydrologists are needed for these functions. However, the NWS has no unique competence related specifically to preparedness functions. The planning, organizing, training, and operating skills necessary for such preparedness activities as evacuating people, feeding them, sheltering them and providing for their health and social needs are not directly related to the functions of the NWS. It is only the preparedness elements of the NWS program that are duplicative of functions in the new agency. Based on the NWS information request, the position description for the field staff, and discussions with a meteorologist in charge of a weather service forecasting office, all of the duties of the personnel involved in the program are related to preparedness actions except the "not to exceed" 25 percent of the time related to forecasting duties. Therefore, it is reasonable to transfer these functions and staff to the consolidated agency whose primary mission includes disaster preparedness.

In responding to the PRP proposed transfer, NWS provided additional information to support their disagreement with the proposal. Their main reason for opposing the transfer is. . . "It is their [staff's] scientific and technical knowledge and background--applied as an integral part of NWS's environmental forecast and warning service--that make their service so essential to the overall preparedness program." The Project staff believes these meteorological skills are essential to the risk assessment and warning responsibilities that are being retained by NWS, but they are not necessarily required skills for the preparedness functions. The staff agrees that the non-transferred responsibilities are. . ."essential to the overall preparedness program" and for that reason the consolidated agency must maintain close contact with the NWS, as it must with many other agencies having unique technical capabilities.

Transfer of the preparedness program staff would have some operational impact on NWS field offices. Since up to 25 percent of the staff's time is spent on forecasting duties, these responsibilities would have to be assumed by the remaining field office staff. In view of this objection, PRP has proposed a compromise involving transfer of the headquarters staff and only 75 percent of the field staff for a total of 33 persons. Although the 10 retained staff members could not provide additional forecasting assistance at all of the field offices, adjustments in personnel ceilings and workloads are probably possible, particularly since most of the slots involved are not yet filled.

Non-transfer of the preparedness program staff would also have some operational impact, but on the consolidated agency. Other than the small FDAA preparedness staff (19 people), this is the only natural disaster preparedness staff to be included in the consolidated agency.

Money and personnel savings are likely if the program is transferred. More importantly, the commonalities in natural disaster and attack preparedness would permit more integrated and balanced guidance to State and local governments and the general public resulting in more effective delivery of the service. Integration with the Office of Flood Insurance will also remove the possibility of conflicting priority judgments from Federal agencies regarding flood threats.

Recommendation

Transfer the NWS disaster preparedness function to the consolidated agency. A final decision on division of staff should be delayed until the implementation phase of the reorganization effort.

L

Function/Program: National Flood Insurance Program (NFIP)

Parent Agency Location: Housing and Urban Development (Federal Insurance Administration)

Background/Function Description

The National Flood Insurance Program (NFIP) is administered by the Office of Flood Insurance in the Federal Insurance Administration (FIA) of HUD. Its two major objectives are: (1) provision of flood insurance at a rate made affordable by a Federal subsidy, and; (2) promotion of sound flood plain management practices by conditioning insurance availability on community adoption of minimum building and zoning standards for flood prone areas.

The NFIP is by far the largest Federal program designed for non-structural hazard mitigation. In FY 79 the NFIP will spend $114 million on mitigative efforts while the U.S. Army Corps of Engineers (COE) will spend $8.2 million for its non-structural flood plain management services. The COE has discontinued its own flood plain identification efforts in favor of producing Flood Insurance Studies for the NFIP and will do $15 million in reimburseable studies in FY 78.

Flood insurance is also the single alternative to disaster relief following floods which in recent years have constituted 75 percent of all major disaster declarations and have absorbed 84 percent of individual assistance funds expended for those declarations. Other proposals for hazard insurance with mitigation (e.g. for earthquakes) are patterned after the NFIP, placing this program in the lead position for investigating further insurance alternatives to disaster relief.

FIA operates largely independently within HUD, with 85 to 90 percent of its workload flood insurance. It has a staff that is primarily oriented to engineering and planning. Insurance sales and claims work are contracted to private concerns. Efforts since enactment of the law have been directed to identifying flood hazard areas and fostering participation in the program. Currently the emphasis is shifting to enforcing standards of flood plain regulation in participating communities. Executive Order 11988 and program objectives require considerable coordination with other Federal agencies regarding direct Federal and federally assisted construction in flood plains. The program staff also works closely with State agencies, river basin commissions, local communities and special interest groups and organizations.

Community participation grew slowly following enactment of the law in 1968. However, when the 1973 Flood Disaster Protection Act's sanction on mortgage lending in the flood prone areas of non-complying communities took effect on July 1, 1975, participation nearly doubled. Within the six months preceding that date 5,376 communities joined the programs raising the total to 11,151. Last year Congress repealed this sanction (Section 202 (b) of the 1973 Act) over HUD objections. Further attempts to erode the program's legislation can be expected this spring.

Important insurance industry support for the program has been weakened by the deteriorating relationship between the FIA and the industry in recent years. This has been caused in part by FIA's highly publicized investigations of the industry (e.g. for red-lining). The controversy surrounding the January, 1978, change from joint industry-government operation of the NFIP to a wholly government operated program also contributed to this deterioriation.

FIA also administers a riot and crime insurance and reinsurance program. This is budgeted for eight staff years, though only 5.6 slots were filled in FY 1977. The agency undertakes, from time to time, investigatory and consultative assignments relating broadly to insurance though there is no specific statutory authorization for this function.

Assessment

There are several arguments for assigning the NFIP to the new agency:

1. The Flood Insurance Program's objectives and activities complement and, in some cases, overlap responsibilities to be assumed by the new agency from FDAA under P.L. 93-288, particularly (1) Section 201 (a) which establishes "a program of disaster preparedness plans for mitigation...;" (2) Section 201 (b) "...technical assistance to the States in developing comprehensive plans and practicable programs for preparation against disasters, including hazard reduction, avoidance and mitigation...;" (3) Section 406 "as a further condition of any loan or grant made under the provisions of the Act, the State or local government shall agree that the natural hazard in the areas in which the proceeds of the grants and loans are to be used shall be evaluated and appropriate action shall be taken to mitigate such hazards, including safe land-use and construction practices..."

2. It will provide a direct policy making and operational link for the new agency to evaluate various alternative programs (preparedness, mitigation, insurance, relief, recovery) and develop cost benefit complementary objectives for all these programs.

3. The budget for the program is embodied within the total HUD appropriations. This places it in a subordinate competitive position for budget priorities. Aligning the program with kindred functions in a smaller agency will result in more equitable consideration of program needs.

4. The program has come under Congressional attack at least in part because its flood plain management restrictions are not popular with land developers and builders. HUD has not been successful in defending the legislation in recent years.

5. The flood insurance program now has direct hazard mitigation enforcement authority over 16,000 local governments. This "clout," combined with the mitigation and planning authorities of DCPA and FDAA, and NWS would provide increased capability for fostering integrated disaster prevention, response and recovery plans within those communities.

6. FIA's crime and riot insurance programs are somewhat emergency-related in that they do address civil disruptions. Thus some justification exists for transferring all of FIA to the new agency should HUD maintain its position that the 10 to 15 percent of FIA's staff remaining after the NFIP transfer would be too small a group to effectively carry out their remaining functions.

Several disadvantages are raised against the transfer by HUD:

1. A change at this time could be disruptive, because of the recent move to government operation of the insurance program.

2. Insurance, in FIA's view, is a concept not compatible with "grant and giveaway" disaster relief programs.

3. The NFIP would lose its "ready access" to HUD's housing and community development programs.

4. The problems now being encountered by the program would administratively encumber the new agency and thereby detract from initial organization efforts.

5. The NFIP would no longer be housed in a Cabinet level department and would be reduced in rank by being included with other hazard reduction programs.

Recommendation

It is difficult to see how the new agency can claim comprehensive responsibility and leadership in hazard mitigation if the principal program is in another agency. In addition, the replacement of disaster relief with cost effective flood insurance is a fiscally sound goal and would be highlighted in an agency with a related mission. The National Flood Insurance Program should be transferred to the new agency.

M

Function/Program: National Fire Prevention and Control Program

Parent Agency Location: Commerce (National Fire Prevention and Control Administration)

Background/Function Description

The NFPCA was established in October 1974 to carry out the authorities of the Federal Fire Prevention and Control Act (P.L. 93-298). The functions provided for in that legislation, which were assigned specifically to the NFPCA in the Department of Commerce by statute, include:

1. Establish and administer a public information program on fire prevention, mitigation and control.

2. Establish a National Academy of Fire Prevention and Control to advance professional development in fire prevention and control through training and education.

3. Administer a technology research program carried out by the National Bureau of Standards (Fire Research Center) to develop and test systems and equipment, including advanced technology for improved fire suppression, prevention, mitigation and control, including the issuance and administration of grants and contracts to support such efforts.

4. Conduct studies and planning of operational and systems techniques for fire management, suppression and control

5. Operate the National Fire Data Center for the selection, analysis, publication and dissemination of information on fire prevention, occurrence, control and results of fires.

6. Encourage and assist States to develop and implement master plans for fire prevention and control.

7. Coordinate fire prevention and control standards with other Federal agencies (e.g., CPSC, Forest Service, Fire Research Center in NBS).

The program is funded for FY 79 at just under $18 million with 124 full-time personnel.

Recommendation: Transfer the program to the new agency.

The Project has discussed the proposed transfer extensively with the Council of National Fire Service Organizations whose membership consists of:

- International Society of Fire Service Instructors
- International Association of Black Professional Firefighters
- Fire Marshals Association of North America
- National Fire Protection Association
- International Fire Service Training Association
- International Association of Fire Chiefs
- International Municipal Signal Association
- International Association of Firefighters
- National Association of Fire Science Administration
- Metropolitan Committee of the International Association of Fire Chiefs
- International Association of Arson Investigators

The Council's principal interests concern maintaining the integrity and national focus of the fire prevention program, and the creation and funding of a Fire Service Academy. They are concerned that fire programs and resources are not diffused by combination with other program elements of the new agency or by regionalization of the program and are seeking assurance that the program be transferred intact from Commerce. We anticipate their strong endorsement of the recommended transfer provided final organizational arrangements in the new agency meet these objectives.

The Project believes that the nature and legislative authorities of the fire program warrant a separate and intact organizational identity in the new agency, with the program's director, at the Assistant Administrator level, reporting directly to the Administrator. This action will assure that the program's identity and thrust are preserved and at the same time, provide an important emergency prevention and control authority to support the new agency's overall objectives.

The Project does not believe that transfer of NFPCA will be decisively opposed in the Congress. Senator Magnuson (the NFPCA's principal Congressional sponsor) has stated his support for the reorganization in general but opposed transfer of NFPCA. However, the Project is confident that the Senator's concerns, as well as others recently voiced by several public interest groups, will not prevent ultimate congressional acceptance if the fire service community acting through the Joint Council endorses the transfer. The Science and Technology Committee has jurisdiction in the House, and no opposition has emerged there.

The Department of Commerce recommends against the transfer of NFPCA to the new agency. In its view, this action would:

— diminish the attention now given to the fire prevention program by merging it in an agency with other disaster mitigation programs (e.g., floods, earthquakes);

— separate it from its key institutional linkage with the Fire Research Center (NBS) in Commerce;

— weaken the program's focus on all levels of fire by transfer in an agency dealing to a large extent with major emergencies.

Commerce also cites the probability that reorganization would not be acceptable to the Congress and the fire service community.

The Project does not concur with the Commerce views that NFPCA's transfer to the new agency will diminish its effectiveness or focus particularly in light of the organizational treatment to be given to this program as outlined above. The program should be significantly enhanced by the authorities and resources of the new agency in such areas as interagency coordination and planning for fire mitigation standards and intergovernmental efforts with State and local governments.

We do not believe that separation of the program from Commerce will adversely affect its performance in any way. The agency's programs are not integral to DOC's principal responsibilities for business development and removal would cause no detriment to other departmental programs. The only significant program linkage to DOC activities is the administration of the fire technology research program performed by the Fire Research Center (NSB). While the center assists the agency in evaluating research priorities, actual projects undertaken by the Center are very similar to its research efforts undertaken in support of other Federal agency fire responsibilities (e.g., HUD, CPSC), State and local government and the private sector on a funded reimbursable basis which comprise forty percent of the FRC's activities. In the Project's view, this linkage can be established and maintained by the new agency in much the same manner as now exists and without any detrimental effects to program performance.

Additionally, the Project's view, transfer of NFPCA is advantageous because:

a. The agency's functions and objectives are similar in scope and definition to those to be assumed by the new agency, namely:

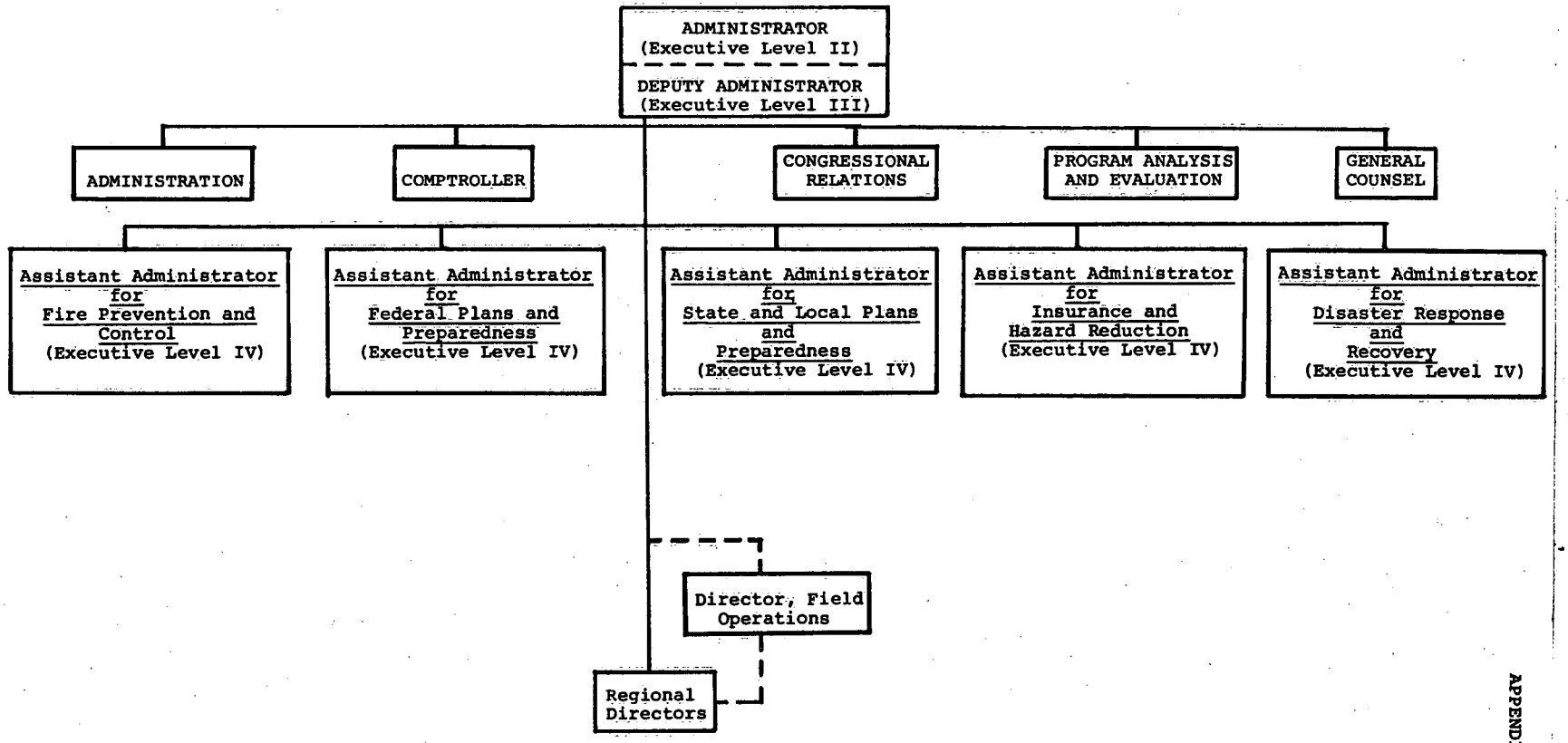
— Coordination, planning and administration of a program whose principal goals are hazard prevention and control through enhanced training and education, technology, planning and standards.

— Extensive interagency coordination and planning within Federal agencies sharing responsibilities for fire mitigation, prevention and control (e.g., HUD, HEW).

b. Fire prevention and suppression resources (fire departments) are key elements of State and local government for both planning and response to all forms of emergencies. Consolidation of the program will provide a vital linkage for the new agency within these resources to meet its fire prevention and control responsibilities as well as complement and support its full-range of emergency functions.

c. Transfer to the new agency will provide a basis for better assessing the competing Federal resources commitments for the full range of emergency functions and responsibilities (mitigation, preparedness, relief and recovery) and making adjustments to priorities to meet those threats which are most demanding.

N



APPENDIX N

REPRESENTATIVE ORGANIZATION CHART