

NATIONAL PRESS CLUB LUNCHEON WITH FEMA DIRECTOR R. DAVID PAULISON
SUBJECT: FEDERAL EMERGENCY MANAGEMENT AGENCY

MODERATOR: JERRY ZREMSKI, NATIONAL PRESS CLUB VICE PRESIDENT AND
NATIONAL CORRESPONDENT FOR THE BUFFALO NEWS

LOCATION: NATIONAL PRESS CLUB BALLROOM, WASHINGTON, D.C.

TIME: 1:00 P.M. EST

DATE: THURSDAY, NOVEMBER 30, 2006

(C) COPYRIGHT 2005, FEDERAL NEWS SERVICE, INC., 1000 VERMONT AVE. NW;
5TH FLOOR; WASHINGTON, DC - 20005, USA. ALL RIGHTS RESERVED. ANY
REPRODUCTION, REDISTRIBUTION OR RETRANSMISSION IS EXPRESSLY
PROHIBITED.

UNAUTHORIZED REPRODUCTION, REDISTRIBUTION OR RETRANSMISSION
CONSTITUTES A MISAPPROPRIATION UNDER APPLICABLE UNFAIR COMPETITION
LAW, AND FEDERAL NEWS SERVICE, INC. RESERVES THE RIGHT TO PURSUE ALL
REMEDIES AVAILABLE TO IT IN RESPECT TO SUCH MISAPPROPRIATION.

FEDERAL NEWS SERVICE, INC. IS A PRIVATE FIRM AND IS NOT AFFILIATED WITH
THE FEDERAL GOVERNMENT. NO COPYRIGHT IS CLAIMED AS TO ANY PART OF
THE ORIGINAL WORK PREPARED BY A UNITED STATES GOVERNMENT OFFICER
OR EMPLOYEE AS PART OF THAT PERSON'S OFFICIAL DUTIES.

FOR INFORMATION ON SUBSCRIBING TO FNS, PLEASE CALL JACK GRAEME AT
202-347-1400.

MR. ZREMSKI: Good afternoon, and welcome to the National Press Club. My name is Jerry Zremski, and I'm the national correspondent for the Buffalo News and the vice president of the Press Club. I'd like to welcome club members and their guests in the audience today, as well as those of you watching on C-SPAN.

Please hold your applause during the speech so that we have plenty of time for questions at the end. For our broadcast audience, I'd like to explain that if you hear applause, it may be from the guests and the members of the general public who attend our luncheons and not necessarily from the reporters in the room.

The video archive of today's luncheon is provided by ConnectLive and is available, to members only, through the National Press Club website, www.press.org. Press Club members can also access free transcripts of our luncheons at our website. Non-members may purchase transcripts, audio and video tapes by calling 1-888-343-1940. For more information about joining the National Press Club, please contact us at 202-662-7511.

Before introducing our head table, I would like to remind our members of some future speakers. On December 1st, Marvin Kalb, the host of the "Kalb Report" and senior fellow at the Shorenstein Center, will discuss "A Reporter's Lament, a Call to Arms." And on December 7th, Michael Kaiser, the president of the Kennedy Center, will be here to speak to us.

If you have any questions for our speaker, please write them down on the cards provided at your table and pass them up to me. I will ask as many questions as time permits.

I'd now like to introduce our head-table guests and ask them to stand briefly when their names are called. Please hold your applause until all the head-table guests are introduced.

From your right, Neil Roland, a reporter for Bloomberg News; Bill Walsh, Washington correspondent for the New Orleans Times-Picayune; Patrick Yoest, a reporter for Congressional Quarterly; Maria Recio, Washington correspondent for the Fort Worth Star-Telegram and the

Biloxi Sun Herald in the McClatchy Washington Bureau, and the co-chair of the National Press Club Newsmakers Committee; Pat Philbin, director of communications at FEMA and a guest of today's speaker; Laura Robertson, a news producer for CBN News; Susan Reinertson, director of FEMA's Region X and a guest of the speaker; over on this side of the podium, Angela Greiling Keane of Traffic World and the vice-chair of our Speakers Committee.

Skipping over our speaker for just one second, we have Ron Baygents of the Kuwait News Agency and the Speakers Committee member who organized today's luncheon; next we have David Maurstad, director of Mitigation at FEMA, and a guest of the speaker; Sharon (Jacobs ?), Washington representative for Ceridian Corporation; Donna Leinwand, reporter for USA Today and treasurer of the National Press Club; Evan Lehmann, Washington correspondent for the Sun in Lowell, Massachusetts; and last but certainly not least, Larry Lipman, bureau chief for the Palm Beach Post here in Washington and a former National Press Club president.

Our guest today, R. David Paulison, stepped into a bit of an emergency in September 2005 when he became head of the Federal Emergency Management Agency. Only weeks earlier, the world watched in horror as Hurricane Katrina came close to drowning New Orleans. Thousands were left stranded and homeless while the federal relief agency stood by, paralyzed.

Things didn't get any better when it came clear that the agency's then director, Michael Brown, had more experience managing the International Arabian Horse Association than he had handling national natural disasters. To many it seemed like FEMA was a man-made disaster, a neutered and politicized agency that was simply incapable of doing the job it was designed to do. Amid congressional congressional calls for a massive restructuring of the agency in wake of Brown's resignation, President Bush appointed Mr. Paulison acting director of FEMA in September 2005, and in doing so, the president put the beleaguered agency in the hands of an experienced professional, a rescue firefighter who worked his way up through the ranks to become chief of the Miami-Dade Fire Rescue Department from 1992 to 2001.

Above all, Mr. Paulison knew about hurricanes. He was involved in responding to the massive damage wrought by Hurricane Andrew in 1992, and 13 years later Hurricane Wilma took a swipe at his home in Davie, Florida.

Bush nominated Mr. Paulison as undersecretary of the Federal Emergency Management Agency and director of FEMA in April, and the Senate confirmed his nomination a month later. While his tenure has been much smoother than that of his predecessor, Mr. Paulison still finds his agency occasionally mired in some controversy. Just yesterday, a federal judge ruled that FEMA unconstitutionally denied housing benefits to thousands of storm victims in the Gulf Coast and that those victims must be paid immediately.

We'll be anxious to hear what Mr. Paulison has to say about that, but above all, we're anxious to hear about the new vision for FEMA that Mr. Paulison plans to detail for us today.

Ladies and gentlemen, FEMA Director David Paulison. (Applause.)

MR. PAULISON: Thank you. Thank you very much for the introduction, and I'm really honored to be here. I'm sure there won't be any questions about the court ruling at the end of the day. (Laughter.)

When we do get to questions, please, you can't embarrass me and you can't hurt my feelings. I'm way beyond that, folks -- (laughs, laughter) -- so ask what you want to ask, and I'll answer the ones that I can. My hearing aids are ringing like crazy.

Been in the news a lot this last year, and a lot of the coverage hasn't always been positive. One thing is sure is that FEMA is important to the United States of America. And it's very special to

me, and not because I'm necessarily privileged to lead this fine organization, because I get to work with people who are extremely devoted and are committed to helping others.

I think United States citizens, the people who live in this country don't really understand what FEMA's about. They don't understand the size of this organization. Right now we're right at about 2,000 people with a new strength of 2,500. I don't think they understand what our mission really is; that is, we're here to mitigate against, repair for, respond to and recover from disasters. And I don't think they understand how reliant this organization is on other agencies, like the Department of Defense or our federal and state partners, because we don't have a lot of resources ourselves. And I'm sure they may not understand themselves how they fit into this whole process of personal preparedness and how, if they're not prepared, the system simply doesn't work as well as it should.

Now, part of that's our fault. We simply haven't done as good a job as we have of explaining our roles, managing expectations, managing responsibilities and communicating the urgent need of our -- of individuals to firstly prepare themselves.

Now, we're going to do a better job of doing that, doing a better job of training ourselves and of framing our roles and our responsibilities. But I want to make it very clear -- I want to make it crystal-clear that every American, every resident of this country, to the best of their ability, should be able to prepare themselves and their loved ones for disasters. Because when they don't do that, they not only put themselves and their families in jeopardy, but also the first responders out there, and they make our job much, much more difficult when we have a citizenry out there that is not prepared to handle disasters.

Firstly, preparedness is pretty simple. Having a plan, having your food, your water, your medicines, your flashlights, your batteries, all those types of things that we all should have in our homes. And what we have to do in this country is develop a culture of personal preparedness, and I think if we do that, we'd be much better off.

A little bit about FEMA. On any given day in this country, we are helping more than 2,000 disaster victims, and that's not including the 600,000 that we're providing housing assistance for from Katrina and Rita and Wilma. We deliver \$8.7 million a day to communities; \$43 million in flood insurance payments a day go out from this agency; \$1.2 million in mitigation grants go out a day to help communities prepare for disasters; and we have stockpiled enough food and water and ice to feed and take care of a million people per week.

FEMA employees have quietly, without fanfare, gone through the business of helping millions of people affected by disasters. Since September of 2005, more than 3 million disaster victims had to register for assistance from FEMA. We've inspected 2 1/2 million homes and provided housing assistance to 1 1/2 million people. We have provided resources to build schools, bridges, courthouses, fire stations, police stations and a myriad of other public institutions.

Now, I'll readily admit, it hasn't gone as smoothly as it should have, but the FEMA team that I work with has literally helped millions of our fellow citizens, and I have to tell you, I'm very proud to work with this organization.

There are several things I want to talk about today. One, I want to share with you my vision that I have for this organization, and where (sic) we're going to do in building what I call, "the new FEMA." I want to share with you what we've learned over this past year. I want to challenge the traditional emergency management system that we have in this country and discuss some of the obstacles that we're going to face in the future as we pursue our vision.

And as a final note on that part, today is the last day of hurricane season, and I'm very happy about that. We had a very quiet season. But seriously -- very seriously -- that quiet season has

given us the opportunity to step back and look at this organization, take it apart, and get prepared to make this an agency that everyone can be proud of.

For the past year, a lot of people have been focusing on the mistakes during Katrina. And to an extent, I have to tell you, it's been very valuable, because we've taken those lessons learned very seriously. And I'll talk about those in a minute.

But as the director of FEMA, it's my responsibility to set a vision for this organization, and it's my responsibility to make sure that I provide the leadership for FEMA to meet that vision. I want FEMA to be the preeminent emergency management organization in this country. That's not being arrogant, because we have got to regain the confidence of the American public, and set the standard for best practices in emergency management across this country.

For the past year, we have been concentrating on our operational core competencies, that we consider our core competencies: -- (inaudible) -- management, operational planning. I was surprised, when I started digging into FEMA, that FEMA did not have an operational planning cell to operate during disasters. Now that's not acceptable. Any organization -- any business out there has a planning cell. Disaster logistics, and I'll talk about that, emergency communications, customer service, and public communications -- and all of those things we have not done very well at.

The 2005 hurricane season challenged this organization -- challenged this nation -- more than ever before. And it was a wake-up call for all of us, not only in FEMA, but emergency management systems across this country. As I go around the country and talk to our local emergency managers and our state emergency managers, all of them are asking themselves the same question: What if that was my community, what if that was my state, what if that was my city that this happened in.

We've all learned a lot of lessons. The biggest single failure in Katrina was communications, and not equipment, but a communications system, and how we're going to share information, and in how we're going to respond together as a country, not just as a single agency. Logistics, knowing where the supplies are and having the ability to deliver them in the right place and the right quantities. Disaster assistance to victims, being able to find out who they are, and where they are, and how to get them registered.

So we've taken some very significant steps these last few months.

One of the clearest lessons -- I told you one of the biggest failures we had was communication, not having a system in place to be able to share information from the local government to the state government, from the state government to the federal government, and quite frankly, inside the federal government itself. There was not a system in place to be able to share that information.

So we have put in a system. It's called unified command. We've used it in the fire service for years. Emergency managers use it. Police use it. But it was not a system here in the United States federal government to put in place. We have put this system in place. We've exercised it all the way up to the president's Cabinet, with all the Cabinet members participating. And we now have a system, regardless -- regardless of where information comes in, whether it comes in from the first responder in the field, whether it comes in from the local emergency manager, whether it comes from the state or even a senator picking up the phone and calling the president, that information is shared -- or coming from the press, quite frankly -- that information is shared up and down the chain, horizontally across the organization. So we're all working off the same common operating picture, and we know what's going on.

If that had been in place, in my opinion, during Katrina, we would have not had the situation that we had. You can't stop the hurricane from coming in. We would have known very clearly what was going on at the Superdome, we would have known very clearly what was happening at the convention center, and we would have known very clearly what was going on with the levees, but we did not. And that's the type of system we have to have in place.

We've also put in place, though, what I call reconnaissance teams, our FIRST -- we call them our FIRST teams, Federal Instant Response Support Teams -- that will be pre-deployed ahead of a disaster, ahead of a hurricane, at least in a known event coming in. And they're going to have the ability to use 21st-century tools to send live video back, live voice back, to give us the information that we need to make decisions and not just shared with the federal government; it has to be shared with the state and locals in our unified command. And that will be located out of our joint field offices that we set up.

And all of these actions are being planned in advance, so that the agency is ready on day one and not playing catch-up, like we've had to do in the past.

Talked about logistics, having the right things in the right place at the right time. We didn't do that very well. So we've done a couple things. One, I've talked to you before about how we've quadrupled in some cases the amount of supplies that we have on hand. We have enough to feed a million people for a week, currently.

But we're also pre-staging those supplies around the country in areas that we know are vulnerable, and then also pre-deploying them when we know a disaster's coming, which we've done very well. And it's food, water, tarps and generators, all those things that the local communities are going to need when they respond to a disaster.

Another piece of that is what we call total asset visibility. FEMA did not have the capability to track its supplies once they left our warehouses. Any business today can do that. FedEx does it. Wal-Mart does it. Home Depot does it. Any business shipping commodities can do that. FEMA did not have the ability. It purchased 20,000 GPS tracking units that literally go right on the back of a truck, with double-faced tape. And we can track that truck right down to the very street corner that it sits on. And that's a tremendous business tool, not just for us but for the state who accepts those supplies. So we can tell them very clearly where those supplies are and when they're going to arrive, so they can set up the distribution points. And that will make that work much better.

We've also developed a strategic partnership with the Defense Logistics Agency. That agency is the logistics arms of the military. And nobody moves supplies better than the U.S. Army, and we have a relationship with them now where they will be leveraging their capabilities to back us up as we move into these disasters. As we move supplies out of our warehouses, they can be moving supplies into our warehouses.

We've worked on prescribed mission assignments where the different agencies around the country that we use know what their mission is and know what they're going to be asked to respond, and we know what their capabilities are.

We've also put in place contingency contracts. Instead of trying to write contracts in the heat of a battle, in the middle of a storm, where we end up with contracts that are not what they need to be, don't have the safeguards that need to be, and don't really provide what we need, they're in place, already in place now so we can just take them off the shelf and put them in place immediately so we have a good solid contract that protects the dollars of the American public and also gives us the supplies we need to do that.

We've done memorandums of understanding, interagency agreements with our other federal partners and with the private sector and with voluntary agencies. We know what they're going to provide. We know what the Red Cross is going to come in and do for us. We know what they can't do, so we can make sure we have those services needed in the affected communities.

We also put together a debris registry where we have over 300 debris contractors on our website, so local communities can have the flexibility of putting those contracts in place ahead of time, or they can use the Corps of Engineers. But they have the choice to do that, and our reimbursement will be the same for both, as opposed to the disparity that we've had in the past.

Customer service. During Katrina and the aftermath of Katrina and Rita, we had people in every state in this country. We didn't know who they were, we didn't know where they were, and we didn't know what their needs were. We simply did not have the capacity to register all those people who were in need. I kept telling people to call our 1-800-621-FEMA number, they couldn't get through -- busy, busy, busy for hours on time. So we increased our call capacity to where we can receive now -- register over 200,000 people a day. They can do it either online themselves -- and we're going to even, in some cases, pre-deploy people to shelters and register them as they come into shelters. And also, we've created these mobile units. One of the major lessons learned was people couldn't come to our registration centers, or they didn't have a way to get there. With five feet of water above their car, it wouldn't start -- I don't know why. But -- so now we're going to out to where they are. And so those mobile registration centers are like a motorhome and they're equipped with satellite-based laptop computers and satellite cell phones and staff, where we can go out and register people in those congregate places where they are and get them registered.

Our home inspections. We couldn't keep up with the number of home inspections that were created. We now have the capability of inspecting over 20,000 homes a day to get people the money they need in a very timely manner.

Victim registration also created another problem for us. We had a lot of fraud and abuse, had people who came and registered maybe more than once. We have now put an identity-verification system in place so we can tell who you are; are you who you say you are, and did you live where you said you live. That helps us expedite people to find out what their needs are much quickly, but also cuts down on the waste, fraud and abuse that we saw during Katrina. The next thing we have to do is look at our business processes inside of FEMA, and that's what we're working on now. We want to be able to develop a best in class service.

So we've begun a series of agency-wide organizational assessments to look at areas like human rights, logistics, our budgeting process, our communications, our financial management systems, procurement, and our data systems management. We have hired outside contractors, so we have an independent view of what we are and where we are and what we have to do. And they're going to provide us a solid baseline and give us a clear direction of what we have to fix inside of FEMA to be able to reach that vision. And this will help us develop a results-oriented culture that's focused on delivering that best-in-class service that I talked about.

The other issue that it looked at -- it was -- I saw a significant flaw -- and I don't talk about this too much publicly -- is the lack of leadership across the agency. When I came in here, the -- we did not have the people in place that we needed that had the experience that we needed to manage an agency like this. One example I will give you is of our 10 regions, we only two that were filled, the others were empty, with acting people in them. I've worked very diligently to fill those slots. Susan Reinerston, sitting here, is our latest acquisition, Region 10 out of Seattle. I have nine of those filled, and I'm interviewing for the 10th one this week. And that will be done

either before Christmas or shortly after the first of the year. It's the first time in anyone's history or anyone's memory in FEMA that we've had all 10 regions filled with quality people who know what they're doing.

I met with our regional directors yesterday in New York and just added up the years just of this - those 10 people; over 250 years of emergency management experience. So that will probably be -- hopefully be my legacy when I leave here, is the fact that I'm putting people in place who have been there and done that and have experience to manage this organization.

Looking to build stronger partnerships inside the agency. FEMA through its own choosing had isolated itself when it moved into the Department of Homeland Security. I'm being very blunt here, folks -- had isolated itself and moved into the Department of Homeland Security. That's not acceptable. I've been working very hard to build those relationships with the Border Patrol, with ICE, TSA, Coast Guard, and Secret Service. I meet with them every week to foster those relationships. We're on a first-name basis, where I just pick up the phone and call if I need assistance, and they can do the same.

But also outside of Homeland Security. Building relations with the Department of Defense, with Health and Human Services, with the Department of Transportation, and with the National Guard, so we can clarify what our roles are going to be and assign responsibility before a disaster strikes instead of trying to decide what we're going to do after a disaster hits.

I'm also working to strengthen our links with our state and local governments because they are really our first line of defense. I've been meeting regularly with governors and state and local emergency managers to resolve those issues and clarify our roles in advance of a disaster. And I'm going to talk about that a little bit later -- about our relationship and how we're going to have to respond in the future.

The 2007 DHS appropriations bill was just passed. I'm sure a lot of you are aware of that. It's going to be an important issue for us in this coming year, and it challenges us to improve our core capabilities and to strengthen our regions, and we're in the process of doing that. This expands our mission to include preparedness and protection, along with our traditional mission of mitigation of response and recovery, and it directs us to widen our response beyond natural disasters. So now, we'll look at man-made disasters like terrorist acts and others. It requires us to engage in new constituencies, such as the law enforcement community, and we have to reach out to them. They have never been a part of FEMA, but now they have to be a part of FEMA. And it established the National Emergency Management System and seeks to put in place a national preparedness system. And these are the things that we're going to have to work on very carefully to put those in place.

The call for transformation is broad, and the expectations are extremely high.

But this nation needs a stronger and more capable FEMA than we've seen in the past. I hear it from the White House, I hear it from the secretary, I hear it from Congress, I hear it from you, I hear it from the public and our teammates around the country and our emergency managers out there.

We are working with Homeland Security to efficiently and effectively integrate that Homeland Appropriations bill into FEMA. And I got to tell you, I've received a tremendous amount of support from the president, from the secretary, from Office of Management and Budget, and to this end, we're working with our stakeholders out there, such as the law enforcement community, to make sure that we thoughtfully consider their concerns as put this agency together.

We are truly, truly putting together a new FEMA, and I think all our efforts are paying off. And let me talk about the short-lived hurricane we had -- it was Hurricane Ernesto. Hurricane Ernesto

was not a big storm, but we thought it was going to be, and we weren't sure where it was going to go. First, we thought it was going to the Gulf Coast and then into Florida. In fact, I had to send my wife home. I said, "Honey, you got to go put the shutters up." And she said, "I told you, I'm not doing all the hurricane by myself." I said, "Aw, come on, hon. Just one more." (Laughs, laughter.) And so she did that.

But we had much better coordination with the states than we had in the past. I personally called every governor in the storm's path. I sent liaisons to every state emergency operation center to make sure that we had that coordination and we had that communications ahead of time, long before the storm hit. Our principal federal officials had met with the governors ahead of time to develop these relationships, and -- because you don't want to be exchanging business cards in the middle of a disaster. You should know who you're going to be dealing with and working with. We set up videoconferencing with the states and had excellent, excellent conferences with those as we talked to them. We had every state that was in the path of the storm on our conferences at the same time.

We tested some of our new systems, our new National Response Coordination Center at FEMA. We have the capability of putting 48 states up on the screen at one time, and we can talk to all those governors at the same time. We had people on the videoconference that we never had before: Admiral Keating and his whole command staff; NORCOM was on every one of those videoconferences there, ready to help if we needed it; had the National Guard on there, also, and others. Everyone was stepping up to the plate, understanding that this has to be a national response, not just a FEMA response, to the disasters. We tested our mobile registration centers, and they worked perfectly. And we exercised our logistics supply system that I talked about with the Total Asset Visibility. As that storm moved across the country and we moved our supplies from one state to another, we were able to track them very carefully, and we knew where every vehicle was and every supply was. So I'm very, very excited about all -- the whole system working.

Now, let me talk a little bit about the new paradigm shift that I'm talking about. All response is local. It always is and it has to be. And if I'm a local first responder, I don't want the federal government coming in and taking over, so that's not going to happen. But the process that we've seen in the past, where we wait for a local community to become overwhelmed before the state steps in and then waiting for the state to become overwhelmed as the federal government steps in simply does not work. That traditional model is not what we need in this country. It should be everyone's responsibility to make sure that no one fails. We have to go into these disasters as partners. It has to be a one for all and all for one type of a system.

We just had a press conference a few minutes ago -- a few hours ago now -- where the National Emergency Management Association, which is the state emergency managers, and the International Emergency Managers Association, which is the local emergency managers -- for the first time in history, the three of us are standing together, understanding that we have to be partners in this and standing side by side.

So if there's a gap in the system, if there's a gap in the system anywhere, we're all three are standing there to fill it. To make -- that'll make us work much, much better, as we have in the past.

Based on when I took over FEMA a year ago, we are in much better shape than we were last year. We still have a long ways to go. I have to tell you that and be very honest.

And a critical piece of that is the progress to ensure that we have a can-do attitude and a results-oriented culture inside this organization.

The men and women of FEMA are dedicated. You need to hear that. They're resourceful. They're public servants. They work long hours and have a single goal of helping their fellow citizens recover from disasters. What I saw during Katrina was our men and women of FEMA working seven days a week for months and months on end. Weekend after weekend after weekend, those people were coming in to work. They made great sacrifices. A lot of them have been deployed down there, were months away from their families without seeing them. But they've been able to rise above the fight to all negative press -- and quite frankly, some of it unfair, some of it not -- and they've been able to sustain their pride, and they've been able to sustain their commitment. But I'll tell my age right now. This MacGyver-like approach -- some of you guys remember "MacGyver" -- has served FEMA well, because we've been able to figure how to leverage sometimes scarce resources and innovation to get jobs for our disaster victims. But the quality of that has also prevented us from developing a more disciplined, more strategic approach to many of our business processes. We have to build on the hard work, but look for ways to work smarter and to make sure the job gets done right.

And let me talk about some of the other challenges in FEMA now. There are literally dozens and dozens of reports about what went wrong in the response to Katrina, and hundreds of constructive ideas and recommendations to avoid future mistakes. I'm just trying to make a point. We can improve the systems, and we have a good understanding of what went wrong and why it went wrong. We are aggressively and diligently working through the myriad of constructive recommendations that have emerged. We want to continue that good work, and we have to, and we have to change the positive -- the positive changes in FEMA -- make sure those work.

But we have to resist the call for additional investigations unless they're based on new evidence and allegations. Rather than conduct additional studies, inquiries, analysis that look backward and tell us what we really already know, we should continue to focus on correcting the problems. And that's what we have to do. Process is important, but results is what we're going to be judged on and what our counterparts at our state are going to be judged on. And it's going to require changing the culture of FEMA by getting people to think more broadly in terms of our results. The organizational assessments that I've talked about earlier are going to be important tools for us to push this organization towards a smarter and more results-oriented thinking.

But there's much to do beyond the confines of one agency. We also need to learn to work together and with a -- together with the -- and better with the emergency -- larger emergency management community out there.

Let me tell you what we're going to do, and I'll wrap this up. I know I've talked a long time, but I appreciate your patience. What can you expect out of FEMA, and what can America expect out of FEMA? That we are going to instill confidence that FEMA's the agency that works for them. We're going to capitalize on our partnerships, along the local, state, and federal partners, because we are going to bring value to that system. We are going to manage our assets much more efficiently and effectively than we have in the past. And we are going to help this nation to continue to build a culture of preparedness. And we will develop international protocols for emergency management, so we can be much more effective when we're either receiving aid or sending aid to other countries. And if we can do all of these things, which I am confident we can, we're going to be able to marshal a much, much better, effective national response to disasters across this country.

Folks, the challenges are great, there's no questions about that. But so is our determination to meet and exceed the expectation of the American public. The men and women of FEMA are

dedicated to doing this, and they're on my team -- they're ready to move and go, and I'm ready to lead them in this trek as we go rebuilding this new FEMA.

Thank you so much for inviting me. I appreciate it very much. I'm honored to be here. Thank you.

(Applause.)

MR. ZREMSKI: All right, we have an awful lot of questions here. I'll try to get through as many as I can, and I'm going to start with today's front page news in The Washington Post. As I mentioned in my introduction, a federal judge ruled yesterday that FEMA unconstitutionally denied housing aid to tens of thousands of residents along the Gulf Coast. How do you respond to the court's ruling?

MR. PAULISON: I'm shocked that that question would come up.

(Laughter.)

Well, first of all, we just got the ruling yesterday and we're in the process of looking at it. I was very disappointed in the judge's decision, I have to tell you. This is almost one of those things that if -- no good deed goes unpunished.

We worked extremely hard to make sure that we included everybody who said they needed assistance into this housing program, and we housed hundreds of thousands of people under what we call the 403 Program, which is emergency sheltering. And we extended that to put people in hotels and motels and duplexes and every other place.

And that system is supposed to be for a very short period of time, because it's called "emergency" sheltering. So we had to make the decision after a period of time, which quite frankly we pushed further than we've ever pushed in the history of this department. We had to start going through those individuals case by case to see who was eligible and who was not eligible. Some did not live in the area, some had insurance, some were not legal residents of this country and we are not allowed to provide assistance for them under the 408 Program which we're moving into.

And we felt like we did a good job of notifying people who were not eligible. We felt like we did a -- in fact, we even extended that -- you remember that we extended that stay another 60 days to give everyone an opportunity to -- if they felt that we made a mistake and they were eligible, to appeal those types of decisions.

We've used the same forms, the same language that FEMA's used for decades, and we've never had an issue with it before. We made a lot of personal contacts with people.

So I was just surprised at the decision. I'm not going to go into all the details of it because, you know, obviously it's an ongoing case. But I can tell you we thought we did the right thing. We thought we did the best job we could to make sure people were notified, they had an opportunity to appeal. And the judge did not agree with that.

MR. ZREMSKI: A lot of the changes that you talked about -- pre-positioning supplies, working with other agencies -- they sound pretty common sense.

Why wasn't FEMA doing this before Katrina, before now?

MR. PAULISON: I can't answer that. I can tell you that my job is to look forward. I have looked at this agency. I saw what I would do if we had to go through this again, and what I saw was prepositioning of equipment around the country into multiple areas; predeploying those before a storm came, even before a state asked for assistance, to make sure -- because I want to push that process of going in there side by side and making sure those things are where we need them. But I can't answer why it wasn't done before. I can just say that's the right thing to do, and it worked well in Ernesto, and I'm confident it's going to work well in any type of disaster.

MR. ZREMSKI: The FEMA overhaul passed by Congress in September makes the FEMA director the principal adviser to the president on emergency management issues. How much access do you have to the president? How often do you communicate directly with him?

MR. PAULISON: I've felt like I've had tremendous access to the president, much more than I ever expected. I met with -- meet with the -- met with the president on a regular basis during Katrina, sometimes once a month or even more often than that. I've met with him at the Cabinet level. I've met with him privately in his office. I have not had any problems having access to the secretary or the president, quite frankly. I've felt like he received the information he needed from me, and I got very clear direction from him.

MR. ZREMSKI: Who at DHS is in charge of implementing the FEMA reform bill?

MR. PAULISON: I'm working with the secretary to put these things in place. There's more than one person making the decisions. We have all of our staff. My staff is working with George Foresman's staff, we're working with DHS staff to do it as a team. We have one chance to reorganize FEMA, in my opinion, and now we need to -- now's the time to do it, and now's the time to do it right. So we're working together as a team to make sure that happens. I don't think there's any one person in charge. We're all making, you know, not necessarily a committee-type of decision, but at least a team-type of decision.

MR. ZREMSKI: Do you think FEMA should be an independent agency, the way it was before Homeland Security was created?

MR. PAULISON: The answer, in my opinion, is absolutely not. The resources that I have inside of Homeland Security -- 180,000 people; I talked about the relationships I'm developing with the other operational pieces of DHS. It gives me resources that FEMA simply never had before, and we just have to leverage them, and that's what I'm doing.

MR. ZREMSKI: So far this year FEMA has declared 47 major disasters, including a snowstorm in Buffalo to everyone's surprise. Many of these disasters really don't come close to Katrina in terms of scope or the damage done. And I'm just wondering if your response to those sort of lesser disasters in any way would detract from the truly catastrophic storms such as Katrina and your response to those.

MR. PAULISON: No, I think it's just the opposite. I think it allows us to exercise the system better, the snowstorms in New York particularly, where we actually prepositioned supplies into the state before the state asked for them because they were there with them. So it helps us to do those types of things.

What I do need to do is make the region stronger, and that's what we're doing to work very hard to make sure that they've got the capabilities to do that.

MR. ZREMSKI: The South Florida Sun Sentinel last year did a series called "FEMA: A Legacy of Waste," and it detailed widespread mismanagement, including \$51.3 million in funding for Cleveland for floods that occurred elsewhere in Ohio. What has FEMA done to prevent that sort of waste from occurring again?

MR. PAULISON: I'm not exactly sure I agreed with the article, but we are putting things in place to stop some of that waste, fraud, and abuse. One is the business practice that we talked about of bringing outside agencies in to look at our business practices, how we do those types of things, making sure we're making the right decisions; you know, being able to register more people quickly, do more home inspections so you're not guessing, to -- we want to make sure that we spend the money wisely.

We want to be efficient and agile, but at the same time, we want to be compassionate.

MR. ZREMSKI: Florida government officials have long said that they don't count on a federal response in times of emergency and that they plan accordingly. Do you think this is the correct attitude that states ought to have? And why or why not?

MR. PAULISON: I'm not sure in what context that was said, but states -- local communities and states need to prepare as best they can. I wouldn't say not to depend on the federal government to come in, but I would say prepare as best the state can financially and with whatever it can. They should be able to take care of themselves for the first three or four days until we can mobilize some of the FEMA assets to move in there.

So again, with the context that you gave, I'm not sure exactly what the right answer is other than, you know, we have -- we do move a lot of resources around and we were there for every disaster Florida had. And I'm sure the state emergency manager, Craig Fugate, will tell you that.

MR. ZREMSKI: FEMA allows local governments for the first 70 hours after an emergency to hire outside cleanup contractors without taking bids. And my paper, the Buffalo News, found that locally the communities that didn't take bids ended up paying upwards of 85 percent more for those services than those communities that did take bids. I'm wondering if this sort of practice is common and if you might see it as wasteful to allow no-bid contracts in a situation like that.

MR. PAULISON: One of the things we've done is put those contracts on a registry on our website, so encouraging local communities to have those contracts in place ahead of time instead of doing them after a storm. Any time you do a no-bid contract, you generally don't get the best deal. That's why I don't believe in them. And as much as possible we're not going to do them inside of FEMA, and we're strongly encouraging local communities to do the same type of thing. Besides that, they get better service. If you have a contract in place already, you're more likely to have a contractor respond much more quickly than if you try to negotiate something on the fly.

MR. ZREMSKI: Not surprisingly, we have a lot of questions about Katrina, and I'll start here. Yes or no, do you support Category 5 hurricane protection for the levees in New Orleans?

MR. PAULISON: I'm not going to answer that yes or no. (Laughs.) I don't care who asked it. You know, we want the levees to be the best they can be. The Corps of Engineers is in the process of building those. They've already put them back to where they were pre- Katrina, and there's plans in place to build them to a higher level.

The issue is, if -- and we can talk about levees in general across the country -- if levees around a particular community cannot be certified, that means FEMA's flood mapping -- I've got Dave Maurstad sitting here, who, by the way, is the first time we've had somebody running that program who does have an insurance background -- duh, we should have that -- that means we have to act like there are no levees at all. So that means the building is going to be very difficult, they have to build higher, insurance is much more money.

So it's a nationwide issue with levees. I support levees being the best they can absolutely be. I can answer it that way.

MR. ZREMSKI: What is the best possible levee, then?

MR. PAULISON: (Chuckles.) Well, you know, I mean -- I know you're trying to back me into a corner, but it's not going to work! (Laughs, laughter.)

You know, the levees need to be strong enough to handle what the potential is going to be. And we talk about a -- what is it, David, a hundred year flood? So 1 percent -- yeah, so one flood in a hundred years it's got to protect against. So that's what the levees should be designed to protect. But, you know -- and they're not all -- all the levees aren't taken care of by the Corps of Engineers, by the way. A lot of them are private; a lot of them are by particular communities.

MR. ZREMSKI: During the Katrina disaster we saw a lot of news stories about missing children. And yet, after Katrina we really heard nothing. One of our audience members asks: What happened to all those missing children? Were they all reunited with their families?

MR. PAULISON: Yes. Every missing child that we're aware of was reunited with their families. But we've also worked with the Missing Children Society, and now we're going to have them have a seat in our Joint Field Office where we can work with them very carefully to make sure that we put those systems in place ahead of time and not have to play catch-up trying to find where children are, or even missing family members. We recognize that was another lesson learned during the disaster, that we didn't do a good job with that. A lot of it's privacy issues, a lot of the stuff we're working with the FBI and others so we can legally share more information than we did in the past.

MR. ZREMSKI: One of the problems that FEMA encountered during Katrina was transportation logistics. And you've referred to this in terms of the prepositioning of supplies. But we're wondering what else has been done to improve transportation in wake of a disaster.

MR. PAULISON: I think some of the things we talked about already -- being able to track our supplies much better, having supplies not only prepositioned but predeployed. You know, I'm comfortable -- and I'm also bringing in a logistics expert, someone who -- and we haven't hired him yet, so I can't give you a name -- someone who knows logistics better than, you know -- better than what we have in house right now to make sure we do a better job of logistics. But the transportation issue, I think we've resolved that with how we're going to move equipment around and how we can track it so we can tell exactly where our vehicles are.

MR. ZREMSKI: Also regarding some of the things that happened post-Katrina, one of our audience members asks: How do you reach the people who are not reachable through the media? And how do you get people out of harm's way when they really don't want to leave their homes?

MR. PAULISON: Let me answer the second part first. That is a major issue for us when people do not evacuate and don't do what they're told. They stay in their homes for various reasons, and it creates a tremendous hardship on the local first responders who now have to go in and rescue people after the storm. It puts them in harm's way. It also puts their own family members in harm's way. So that's irresponsible, as far as I'm concerned.

If you're in an evacuation zone and you're told to evacuate, you need to move out as quickly as possible. You should also have a plan in place of where you're going to go if you are in an evacuation zone. You know, don't wait till they call -- an evacuation is called before you decide where you're going to go. That should be set up ahead of time.

And the first part of the question was again?

MR. ZREMSKI: How do you reach people when they aren't accessible to media?

MR. PAULISON: That's -- again, that's a difficult question. That's also -- all evacuations and sheltering is really a local issue. All we can do -- our main access to the public is through you guys, through the media. So beyond that, it's the local responsibility to reach those people out there who don't have access to the media. And there's not too many of those people, but there are some out there like that, and the local communities need to have a plan in place on how you're going to notify these people, how you're going to let them know what to do.

MR. ZREMSKI: What is going on with the infamous trailers sitting empty?

MR. PAULISON: (Chuckles.) We have about 10,000 mobile homes in Hope, Arkansas. I have right now 150 some thousand families in travel trailers and mobile homes across this country. Having a backup of 10,000 is not unreasonable.

However, what is happening right now is a lot of people are getting out of travel trailers and out of mobile homes, and so we're running out of space to put those. So we're coming up with a plan on what we're going to do with all the excess of the, you know, tens of thousands that we bought and -- as people move out of those, get back into their homes, and where are we going to move them, you know, are we going to sell them or we going to donate them, you know, and how we're going to deal with that. So that's a public policy issue we're working on right now.

MR. ZREMSKI: The Gulf Coast of Mississippi often feels neglected when so much attention is being paid to New Orleans. Is there anything you can tell us about the cleanup efforts along the rest of the Gulf Coast?

MR. PAULISON: Governor Barbour has done an outstanding job of managing the disaster to his state, and I'm very proud of what they've done. I think almost all of the debris in Mississippi has been cleaned up already and moved. We got some water debris that has not been done, and we're working with them and the Corps of Engineers to do that. But they've moved a long ways from where they were a year ago, and, quite frankly, like I said, I'm very proud of what they've done. They've set an example for others to follow.

MR. ZREMSKI: One reporter in the audience says I am puzzled by your referring to local issues in saying that local folks should be able to provide emergency supplies for the first three or four days after a disaster. Isn't that a Katrina-type view that you're trying to change?

MR. PAULISON: No, not at all. It -- every individual should have three days' supply of food and water, you know, medicines, flashlight, batteries in their home. It is going to be that period -- well, I saw it in Hurricane Andrew, where sometimes we couldn't get to areas because of the amount of debris in the streets. So you have to be on your own for a period of time, so local communities should do the same.

Now, in a notice event like a hurricane, we can preposition and we can move supplies in ahead of the storm. We want to keep it out of harm's way so, you know, our trailers of food aren't out in the Gulf.

But on no-notice events, it's going to be a while before you can gather your resources and move them, regardless of where you are and regardless of who you are.

So yeah, I think that having to be able to be on your own for three days is not unreasonable, to take care of you and your family and your community.

MR. ZREMSKI: You mentioned in your speech the thought that emergency communications has improved. But if you talk to first responders around the country -- I know I've talked to them in the Buffalo area -- a lot of them feel that still they're on different communications systems, they can't interact the way they'd really like to interact during an emergency. What really needs to be done about that to bring the whole vast array of first responders together, so that they can talk to each other?

MR. PAULISON: One of the fallacies of interoperable communications is the notion that you want every radio talking to every radio. If you do that, you're going overwhelm the system, and nobody can talk to anybody. You want different systems to talk to each other. And there are already technical solutions to that. There are devices out there that will allow 800 megahertz to talk to UHF, to talk to VHF, to talk to low-band frequencies and things like that.

We have equipment that we can take in and we can move in -- and then so does the National Guard -- to help those local first responders communicate. But it's also an issue of the individual cities stepping up and maybe purchasing some of these pieces of equipment, where their police and fire -- can talk together -- again, not every radio talk to every radio, but having systems talking to systems.

There's some simple solutions, too, as far as just exchanging radios, if you have to -- you know, put somebody in a police command post with a fire radio and vice versa, and you can share information back and forth.

So -- but the -- I mean, it's not the ultimate solution. We -- there are the -- we have to -- this country has to come up with a solution on how we're going to have interoperable communications across the country as we move into the 21st century. And I think that technical solutions are in the works, but not quite there yet.

MR. ZREMSKI: A reporter from Florida, I believe, I asks this. FEMA recently closed its disaster housing in Florida, calling it a tremendous success by any measure. But 25 of the 109 displaced residents had nowhere to go. How is that a tremendous success?

MR. PAULISON: I think it's a tremendous success if you have 25 people out of the tens of thousands that we housed in Florida -- if we -- FEMA can't house people forever. I mean, you know, it's been two 2004 hurricanes we're talking about, the ones she's talking about. So it's been almost three years. And normally we do it for 18 months.

You know, this -- the local community, the volunteer organizations and the state has to step up sometime to take care of those final few that are left. FEMA's not designed to house people long-term. Our mission is to house people short-term, until they can get back on their feet again. So I do consider it a success in Florida.

MR. ZREMSKI: Despite your agency's certification requirements --

MR. PAULISON: This one's typed, so they had this ahead of time. (Laughter.)

MR. ZREMSKI: They thought about it. And it's good, too.

MR. PAULISON: (Chuckles.)

MR. ZREMSKI: Despite your agency's certification requirements, the Corps of Engineers has indicated that it is unable to conduct inspections within its budget, and it should therefore not be relied upon for levee certification. Therefore, the financial burden for certification is placed on individual local communities. Why shouldn't inspection and certification of nation's levee system be done on a national level by a federal agency and funded as such?

MR. PAULISON: David, I don't have a clue how to answer that one. (Chuckles.) The -- yeah, I really don't.

The levees have to be certified. And if they can't be certified, then that affects our flood maps. And that's a big issue. We have a levee issue across this country. How many thousands of levees may never be certified this year? Quite a few that, you know, that we have to look at every year. And I don't know if you can hear that ringing. My hearing aids are going crazy with this microphone. It's tough to get old.

But it's an issue we have to deal with, and I'm not sure what the answer is, so I can't stand up and say yeah, we should have another agency to do that, create more bureaucracy. But it's something we do have to look at, something that has to be a major public policy decision for this country.

MR. ZREMSKI: How significant do you personally believe the global warming problem is? And how might it affect the job that FEMA is going to be asked to do in the coming decades?

MR. PAULISON: Well, that's way out of my lane, folks. I can tell you what I've -- you know, if you read the -- I like to watch the history channel, and you see that the warming trend has gone up and down and up and down over the last 1,500, 2,000 years. So I can't answer that. All I can tell you is that this agency is going to be ready to respond to hurricanes regardless if they're just natural or created by global warming. You know, that's way out of my lane to answer that one.

MR. ZREMSKI: Is anyone at FEMA working long term to take a look decades down the line what you might have to deal with?

MR. PAULISON: And that's why we're trying to put in place what we call operational planning and have a planning cell inside of FEMA to look down the road, look further than the next six months, you know, what should this agency look like five years from now or 10 years from now, and how big should it be to handle what's expected of us to handle. And that's what we're trying to do in FEMA. That's why I'm setting down a very clear vision of what our core competencies should be and how we're going to -- and set a path for reaching them. If we can do that, if I can leave that legacy here of that, I think this agency will be served well -- well into the next 10 or 15 years.

MR. ZREMSKI: You've addressed preemptive measures that would be taken before a predictable disaster, such as a hurricane. What procedures does FEMA have in place for rapid response to disasters that couldn't be predicted, such as earthquakes or a terrorist attack?

MR. PAULISON: That's an outstanding question. And part of it is doing some of the prepositioned supplies we talked about. We know what the vulnerable areas are, not just the Gulf Coast or the Mid- Atlantic Coast, but also in California -- and Susan here up in Seattle, you know, that whole earthquake area. And we do have prepositioned supplies.

We also work with the states to look at their plans to see what kind of emergency disaster plans they have in place, help them fill in those gaps where they may be weak to make sure that the states and local communities are ready to respond, because they are going to be the first responders into that system.

MR. ZREMSKI: What lessons did FEMA learn from the 2001 anthrax attacks? And what is FEMA doing in regard to any potential biological attack in the future?

MR. PAULISON: Usually it's been outside the purview of FEMA to deal with it, but now it's going to be. With preparedness coming, we're going to have a lot of the grants for protection and issues like that. So we're going to -- the main thing is to make sure that we have protocols in place, pretty much across this country, that any first responder agency has the tools and has the knowledge on how to respond to these types of things as we go into that.

Biological is another issue. I think that's a whole issue we're talking about across the country. We're pretty close to having a major pandemic policy coming out of Homeland Security.

We're working on that now. How are we going to respond as a country if we have an incident like this? FEMA's role is going to be similar, though. It's still going to be providing food and water, housing, those types of things, sheltering, that we can do better than anybody.

MR. ZREMSKI: Okay, just to be a little bit more specific, if there were an outbreak of bird flu in the next few years, what would FEMA's role be in responding?

MR. PAULISON: I think our role -- again, our role is going to be what our traditional role is. Health and Human Services would have the lead in this. We would be a support agency, where we could -- if we had to evacuate people or move them or house them, provide distribution of supplies, we have a capability of doing that. We have a lot of vehicles that we can move things with, we have contracts in place for ambulances, we have contracts in place for buses. So our role would be a support role for Health and Human Services in providing those things that we always have -- you know, that we have at our fingertips.

MR. ZREMSKI: Could you briefly outline your ideas on international cooperation when it comes to emergency management? For example, could there be Dutch-American cooperation in flood plane management in wake of Katrina?

MR. PAULISON: I think that's an untapped resource that we haven't used in the past that we need to use. I serve on a NATO committee, a preparedness NATO committee, and we were just in Brussels two weeks ago. And to listen to the other countries -- you know, we meet one day

with the 46 countries and the next day with the 26 voting countries. To hear them talk about issues on disaster preparedness, response, and those types of things, they're dealing with the same things we are across the world, exactly the same things. So there's a great opportunity to share information on how to prepare, how to respond, how to deal with some of these major issues. So I think it's an untapped area we need to go into, and I plan on doing that.

One of the issues that came up during Katrina, quite frankly, was the fact that we got a lot of international donations and didn't know what to do with them. We had no process in place of how to accept them, where do we put them, how do we use them. And we had a lot of problems. It was, quite frankly, embarrassing for a lot of us there was not a system in place to do that. So now we're putting that in place. We already do a lot of response outside the country with urban search and rescue teams, with USAID, to respond outside to those types of disasters, but I think it must be much more robust than that.

We can learn a lot from some of these other countries about dealing with terrorists. I mean, nobody has more experience with suicide bombers than Israel. You look at the way Great Britain stepped up to the plate and really helped us when those planes with the explosive devices, or liquid explosives, on them could have devastated this country. And they shared that information, helped us resolve that. So I think that international sharing of information about disaster response and preparedness is right on target and something we need to move very quickly into.

MR. ZREMSKI: Okay, we are almost out of time. So before I ask our last question, we have a presentation, as per usual.

Plaque to commemorate your visit.

MR. PAULISON: Thank you. I appreciate it very much.

MR. ZREMSKI: And just as importantly, to sip your favorite beverage or, in a pinch, to bail out your basement -- (laughter) -- in case of a storm, we have the National Press Club mug.

MR. PAULISON: Thank you. I appreciate that.

MR. ZREMSKI: Okay, sure.

And our last question comes from a former Boy Scout in the audience, who asks, "How much duct tape should one keep in their house?" (Laughter.)

MR. PAULISON: (Laughs.) You know, I killed with the duct tape stuff. But I have to tell you, I keep rolls at my house. You break a window or, you know, you -- it will fix anything that moves that's not supposed to move. (Laughter.)

Thank you.

MR. ZREMSKI: All right. Thank you very much.

MR. PAULISON: I'm honored to be here. Thank you very much. (Applause.)

MR. ZREMSKI: Thank you.

Okay, if I could ask you folks please to just stay in your seats for a moment because Mr. Paulison has another engagement and has to rush right out. I would like to thank you all for coming today.

I'd also like to thank the National Press Club staff members who participated in putting this luncheon together: Melinda Cooke, Pat Nelson, Jo Anne Booze and Howard Rothman.

And I'd also like to thank the National Press Club Library for their research on the introduction. That sort of research is available to all NPC members. And for more information, you can call 202-662-7523.

Thank you very much. We're adjourned.

####

END