

MEMORANDUM

November 25, 1996

TO: All interested parties
FROM: Jim Makris, NRT Chair
Richard Bennis, NRT Vice Chair
SUBJECT: NRT Ad Hoc Committee on Federal Hazmat Grant Coordination

The National Response Team (NRT) is pleased to release the report of the NRT Ad Hoc Committee on Federal Hazmat Grant Coordination. The Ad Hoc Committee was formed by the NRT in April of this year to examine the issues associated with coordination of Federal hazmat grants to States and provide a report with recommendations to the NRT. This Committee was co-chaired by the United States Environmental Protection Agency (EPA) and the U.S. Federal Emergency Management Agency (FEMA), with additional membership from the U.S. Department of Defense (DOD), the U.S. Department of Energy (DOE), the U.S. Department of Labor (DOL), the U.S. Department of Transportation (DOT), General Services Administration (GSA), the U.S. Department of Health and Human Services (HHS), and the U.S. Coast Guard (USCG). The Committee developed a report containing recommendations for the NRT and presented it for discussion at the August 29, 1996, meeting of the NRT. This report is now being made available to the public to hopefully assist in clarifying the process by which this issue has been examined.

Since that time, the NRT has accepted the Committee's report and asked the Committee to implement the recommendations contained in this report. We thank you for your interest in this NRT product. If you have questions or comments, please fax them to Bill Wark at 202-646-4141 or Kathy Jones at 202-267-0927.

Sincerely,

Signed Jim Makris and Richard Bennis

**REPORT OF THE NRT AD HOC COMMITTEE ON
FEDERAL HAZMAT GRANT COORDINATION**

Responsibility for undertaking this project was delegated by the National Response Team to the NRT Ad Hoc Committee on Federal Hazmat Grant Coordination, which developed this report. The NRT acknowledges the Federal agency representatives participating on the Ad Hoc Committee for their contributions:

Kathy Jones, Co-Chair, EPA
Bill Wark, Co-Chair, FEMA
Kyle Blackman, FEMA
Jim Cruickshank, DOE
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Tim Gill, EPA
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Charles Rogoff, DOT
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Tom Smith, FEMA
Jim Thomas, FEMA

I. BACKGROUND

The National Performance Review (NPR-II) Hazardous Materials Initiative contains a charge to "extend the concept of Performance Partnerships to other Federal agencies and undertake a study to determine how best to coordinate the resources of other Federal departments and agencies, develop a unified Federal hazardous materials program, and consolidate hazardous materials grant programs and funding to the States." This NPR initiative initiated by FEMA was intended to present one "Federal face" to State officials requesting hazardous materials preparedness grants. This process would provide a single stream of funding to the States while still ensuring that all funds are used in accordance with legislative and regulatory requirements.

In April 1996, the Presidential Review Policy Steering Committee submitted an Action Proposal to the National Response Team (NRT). The Action Proposal asked that the NRT, working with FEMA and other key organizations, examine the need for coordination of Federal resources to states.

The NRT approved the creation of the Ad Hoc Committee on Federal Hazmat Grant Coordination on May 30, 1996. The Ad Hoc Committee's charge was to identify the key problems in the current grant funding process for states, paying close attention to the needs of the customers. In addition, the committee was requested to review consolidation, coordination, and preferred alternatives, keeping in mind that any recommendation presented by the committee to the NRT must be feasible.

The Ad Hoc Committee, co-chaired by Kathy Jones of EPA and Bill Wark of FEMA, was requested to complete its work by the August NRT meeting. The following report presents the work of the committee and its recommendations.

II. APPROACH

The Ad Hoc Committee interpreted the twofold charge from the NRT as a sequential process: first, hear the needs of the customer; then second, review consolidation, coordination, and preferred alternatives in light of customer needs. In order to review consolidation/coordination, the Ad Hoc Committee must first develop feasible options based on all stakeholder input. The development of options was not possible due to the time constraints placed on the Ad Hoc Committee.

III. INFORMATION ON POTENTIALLY AFFECTED FEDERAL PROGRAMS

In an effort to obtain a broad picture of the existing hazmat funding to states, the Ad Hoc Committee asked representatives from DOT, DOD, EPA, and FEMA to present information on their agencies' hazmat-related programs. This information was compiled into a matrix (see Exhibit 1). The programs reviewed included: DOD's Chemical Stockpile Emergency Preparedness Program (CSEPP), which already works through a FEMA Performance Partnership Agreement (PPA); FEMA's Emergency Management Assistance (EMA) to states; EPA's Hazmat Planning and Exercise grants; EPA's Chemical Emergency Preparedness and Prevention grants program; EPA's Superfund Cooperative Agreements; and DOT's Hazardous Materials Emergency Preparedness (HMEP) grants.

EXHIBIT 1

TABLE 1: FEDERAL AGENCY GRANT/AGREEMENT HAZMAT PROGRAMS FOR STATES					
Federal Agency	Name of Program and Legislative Authority	Type of Grant/Mechanism & Matching Requirements	Targeted Audience	Special Legislative Requirements/Purpose of the Program	Source of Funds and Approx. Annual Value
DOD via FEMA	Chemical Stockpile Emergency Preparedness Program (CSEPP)	Pass through to state no state matching req'd	State Offices of Emergency Management with CSEPP sites in or adjacent to them	Solely for enhancing chemical warfare agent emergency preparedness	DOD \$85M annually
FEMA	Emergency Management Assistance (EMA) to States	Grant no state matching req'd	States		FEMA direct appropriations \$315K FY '95
FEMA	Hazmat Training Grants	Grant no state matching req'd	States and Indian Tribes		SARA Title III (EPCRA § 305A) \$5M/yr
EPA via FEMA	Superfund Interagency Agreement	FEMA Cooperative Agreements no state matching req'd	States and Indian Tribes	Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Inter-agency Agreement between EPA/FEMA	CERCLA \$234K in FY '95
EPA/CEPPO	Chemical Emergency Preparedness and Planning Grants Program	Grant (25% state match)	States and Indian Tribes	Toxic Substances Control Act (TSCA), Section 8, Clean Air Act CRTK in support of Emergency Planning and Community Right-to-know Act (EPCRA), CAA Section (112 r)	\$1.3M FY '95
EPA/OERR	Superfund	Cooperative Agreement no state matching req'd	States and Indian Tribes	Site cleanup and response	CERCLA \$100M annually
DOT/RSPA	HMEP Planning Grants HMEP Training Grants	Grant 20% soft match required	SERCs and LEPCs Hazmat emergency responders	75% of planning \$ passed through to LEPCs 75% of training \$ passed through to responders programmatic certifications req'd	Shippers and Carriers est. FY96=\$2.48M Shippers and Carriers est. FY96=\$3.72M

IV. PARAMETERS OF "HAZMAT FUNDING TO STATES"

The Ad Hoc Committee discussed that, although the NRT wanted a broad study of hazmat funding, the NPR-II initiative and stakeholder responses address a focused definition of hazmat funding to states. The Ad Hoc Committee decided that, except for inter-agency agreements, CERCLA monies do not fall under the scope of the assignment because Superfund money is not provided to all states through a grant program that addresses preparedness activities. In addition, the Ad Hoc Committee excluded DOD's CSEPP money from their consolidation considerations because it also is not consistently provided to all states. The Ad Hoc Committee focused on DOT's HMEP money, EPA's Chemical Emergency Preparedness Grants, and FEMA's EMA and Hazmat Training grants.

V. STAKEHOLDER INPUT

The Ad Hoc Committee on Federal Grants also held a "listening session" at the 1996 International Hazardous Material Spills Conference as a reasonable method to gather input from stakeholders. The session was intended to be a chance for the Ad Hoc Committee to obtain comments; it was not intended to allow for debate or to arrive at any conclusions. Speakers representing State Emergency Response Commissions (SERCs), Local Emergency Planning Committees (LEPCs), state emergency management agencies, state environmental agencies, the trucking and shipping industries, and other industry, were each allowed five minutes to present comments. Speakers and those present were also given the opportunity to submit written comments. A copy of the session transcript is provided in Attachment A. A copy of the written comments provided by the Louisiana Office of Emergency Response is included with this report (see Attachment B).

Members of the Ad Hoc Committee agreed that this listening session did not obtain input from all stakeholders and that some form of additional input from stakeholders should be solicited. The Ad Hoc Committee concluded that, due to time constraints, neither a written survey nor an additional listening session could be completed. However, a letter from the National Emergency Management Association (NEMA) President, dated May 3 (see Attachment C), and a letter from the Director of Florida State's Emergency Management Division (see Attachment D), both of which gave support for consolidation of grant funding, were considered by the committee.

VI. COMMENTS ON CURRENT FUNDING AND CONSOLIDATION

Although the purpose of the New Orleans "listening session" was to obtain input on current hazmat funding to states, stakeholders and Ad Hoc Committee members also expressed several comments on consolidation. Following is a list of comments developed based on the "listening session" held in New Orleans, discussions at Ad Hoc Committee meetings, and input received from other sources (e.g., NEMA).

Following is the list of comments:

- Grant recipients have not voiced concern with the current grant process. Change or consolidation is, therefore, not necessary.
- The Federal agencies involved in awarding grants to the states should discuss their grants processes before assuming that changes are necessary. The process should not become overly politicized. Rather, the best interests of the customers and the safety of the public and responders should rule.
- Administration of grant programs under a single Federal agency would allow policy guidance for the use of funds, ensure that the funds are coordinated as efficiently as possible, and encourage the development and continuation of hazmat programs and projects that build on one another.
- Consolidating grants may hinder accounting within state agencies. In the past, having only one state agency interacting with a Federal agency providing grant money has made it more difficult for other state agencies to obtain accurate accounting information.
- Having oversight authority and funding mechanisms for hazmat programs scattered throughout various Federal agencies does not allow states to realize the consolidated funding streams and the full flexibility offered under a Federal-State Performance Partnership Agreement.
- If grants are coordinated, the process should begin from the bottom up, starting with a survey of all grantees from throughout the country. Local level input should be gathered, because local responders and planners are often unaware of Federal initiatives.
- Consolidating grants may blur funding identification. This blurring may jeopardize the funds/support of industry. For example, the HMEP grant program has been supported by the shippers and carriers who pay hazardous materials transport fees. This support could be withdrawn if there is a modification in the existing program that results in any failure to fulfill the legislative purpose and intent. If the monies are not distributed as intended by the law, the shippers and carriers may have an opportunity to file suit, resulting in unnecessary costs to the government and the non-payment of fees.
- If possible, the Federal agencies involved should gather stakeholder comments through a Federal Register notice.
- Adopting an all-hazards approach to the distribution of funds could result in a reduction of hazmat shipper and carrier registration funding for grants that benefit fire-fighters, other responders, SERCs, and LEPCs.
- Consolidating grants may detract from the current grant reliability recognized in certain grant programs. Commentors stated that FEMA 305 funding has been less reliable than other programs, with grant sizes varying significantly from year to year, and grants sometimes delayed.

- Consolidation may detract from the successes of DOT funding. The current DOT funding process and priorities have shown themselves to be effective in serving the emergency response and planning communities.
- Consolidation reduces sources of information. Because there are a multitude of laws and regulations with which states must comply, it benefits states to have multiple sources of information. If only one Federal agency were involved in the grant process, states risk losing valuable sources of information. The existence of multiple Federal sources for grants strengthens partnerships.
- DOE and FEMA Ad Hoc Committee representatives expressed concern that not all stakeholders were given an opportunity to provide input on the grant coordination question.
- Federal agency heads, given recent accident experience, should consider the apparent abrogation of their responsibilities for hazmat training and planning if the grant award process is consolidated.

The Ad Hoc Committee discussed the fact that some of the concerns listed above are speculative and others (such as the all-hazards approach to the distribution of funds) do not address a proposed consolidation scenario.

VII. RECOMMENDATIONS

With the exception of FEMA representatives, the Ad Hoc Committee did not find sufficient desire on the part of the stakeholders to warrant the consolidation of Federal hazmat funding to states at this time. However, the Ad Hoc Committee unanimously identified future steps and modifications to the operation of existing grant programs. Below is a list of agreed-upon recommendations based on the concerns and suggestions raised at the "listening session" in New Orleans and on discussion at Ad Hoc Committee meetings.

- **Simplify and improve the current grant processes without combining grant funding mechanisms.**

Stakeholders made several suggestions for simplification that do not require a fiscal consolidation mechanism. The Ad Hoc Committee reviewed the suggestions and makes the following recommendations:

- ⇒ The Ad Hoc Committee recommends developing a factsheet on the various grants available to states. This factsheet should be readily available and should include contact names for more in-depth information and technical assistance.
- ⇒ Further consideration should be given to creating a central clearinghouse of information. The Ad Hoc Committee discussed the possibility of making information and forms available via the Internet.

- ⇒ The Ad Hoc Committee recommends holding an annual workshop, with participation by all Federal agencies providing hazmat emergency preparedness grants to States, at which stakeholders will receive guidance on each agency's grant process. Efforts should be made to ensure that all states receive sufficient and consistent information on all programs.¹
- ⇒ Consideration should be given to using standard forms 424, 270, and 269 in compliance with the OMB circular A102.

Other suggestions received from stakeholders, such as adopting a single fiscal grant calendar or a single set of uniform grant criteria, cannot feasibly be accomplished because of legislative or programmatic requirements.

- **Encourage and facilitate information sharing among Federal agencies, and participation, as appropriate, during all phases of grant activity including the application, review and performance.**
- **Continue to solicit stakeholder feedback.**

The Ad Hoc Committee believes that additional efforts should be made to gather input from all stakeholders, including local planners and responders who are affected. The Ad Hoc Committee recommends requesting assistance from NEMA, NASTTPO, and other stakeholder organizations in collecting this information from their members. If necessary, the Ad Hoc Committee will consider additional input collection options such as a formal survey of responders (requiring OMB approval) or the publication of a Federal Register Notice requesting comments.

- **Hold an intergovernmental roundtable meeting or utilize other mechanisms to clarify and develop a feasible option for improved coordination, consolidation, and optimum alternatives.**
- **Extend the life of the Ad Hoc Committee for the next twelve months.**

This additional time will allow the Ad Hoc Committee time to carry out the above recommendations. If the NRT approves the extension, the Ad Hoc Committee will immediately develop milestones and deadlines for the recommendations above.

¹ The DOT Ad Hoc Committee representative offered that the HMEP workshop, which is scheduled for December 11 & 12 in Phoenix, could be used to accomplish this recommendation for the first year.

ATTACHMENT A
LISTENING SESSION TRANSCRIPT

NATIONAL RESPONSE TEAM (NRT) LISTENING GROUP

HYATT REGENCY NEW ORLEANS

NEW ORLEANS, LOUISIANA

JUNE 27, 1996

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PROCEEDINGS

MS. JONES: --that we can improve our funding streams to States by better coordination or consolidation or streamlining of the funding process.

Because there are a number of agencies that are responsible for hazardous materials activities at the Federal level and the State levels, where these funding streams occur, the National Response Team decided to form a subcommittee to study the issue, because the National Response Team is the forum for coordinating policy and programs for hazmat.

The first meeting of our subcommittee was last week, and everyone agreed that we needed to begin by asking the grant recipients and other stakeholders what you think of the current process for funding. And that is why we are here tonight, because there was also agreement that we should take advantage of the opportunity of having so many stake holders present at this hazmat spills conference to do just that.

So the format for this evening is this is a listening session, and everyone will have five minutes to present their views. We are not going to debate the issues this evening, because we clearly do not have time to do that. So other than the subcommittee asking questions for clarification on your presentation, we won't be making responses. Not because we don't care, but because we would like to hurry this process along. So I would appreciate the audience respecting that rule as well. If you do have a question for clarification, we will allow that you ask it. Otherwise we are going to just accept presentations. I would also like to mention that the session is being recorded this evening, and so everyone will have to speak at the microphone, and we ask that you please speak clearly so that we can understand you.

If you would like to supplement your presentation by written comments, we would welcome the write-up, and you can fax them, I guess, to my office, and I will make sure that the other members of the subcommittee receive your written comments. And my fax number is area code (202)260-7906. And I will repeat it for you again later. Before we begin, Jim, I would like to ask if you have comments to make.

MR. THOMAS: Kathy has introduced the issue quite well. Rather than sitting in our ivory towers in Washington, we had this bright idea. Why don't we ask the people who will be affected what their opinions are? And we had this meeting hardly two weeks ago, and this seemed like an obvious place to hear from some of our customers.

This is our objective this afternoon, to listen to you. It is a listening session. We are not going to resolve anything, reach any final decisions. Hopefully, we can -- it is certainly not a debating society. We are here to listen to you.

MS. KELLOGG: Okay. I am going to just call people up one at a time. I think our mike up at the front here isn't working. So we will just ask you to take the first chair and speak into that mic. In the five minutes, if you will just keep your eye on this little box here, it will go yellow at four minutes, and it will go red at five minutes. The first person on the list is Paula McKinney.

MS. KELLOGG: Paula and others, when you -- will you introduce yourself and also let us know what agency and what State you are representing. Thanks.

MS. McKINNEY:[Not at microphone.] My name is Paula McKinney, and I am representing the National Association of SARA Title III Program Officials.

Ms. That one is not working. Is that working?

MR. Yeah.

MS. McKINNEY:My name is Paula McKinney, and I am representing the National Association of SARA Title III Program Officials. I work for the Texas Department of Health in Austin, Texas.

On behalf of the members of the National Association of SARA Title III Program Officials, NASTTPO, I would like to make the following statements concerning the feasibility of coordinating emergency preparedness grants to the States.

The Emergency Planning and Community Right-to-Know Act, EPCRA, requires Local Emergency Planning Committee planning and response capability development. It was the intent of EPCRA that LEPC plans build on emergency management agency planning efforts where EPCRA and the EMA jurisdictional boundaries are the same.

The reality, however, is that these boundaries are seldom identical. In many States, HMEP funding is the only source of planning funds to ensure that the EPCRA planning mandate is fulfilled. Surveys of the LEPC activities show that inadequate funding is a primary obstacle to successfully performing their requirements for planning.

EPCRA requires fixed facilities to report inventories of hazardous materials and the LEPC planning effort mandates plan development to address risks posed by these fixed facilities.

In addition, HMEP planning grants add the requirement for transportation-related risk to be analyzed and addressed as part of this planning process. However, unlike EPCRA, HMEP provides the funding to accomplish this task.

Another advantage of the HMEP grant program has been the support demonstrated by the shippers and carriers who pay hazardous materials transport fees. NASTTPO is concerned that this support will be withdrawn if there is a modification of the existing program, which results in the purpose and intent of these HMEP funds not being fulfilled.

In addition to unfunded EPCRA mandates, OSHA and EPA laws require training for public safety personnel who respond to chemical accidents. but these laws do not provide funding support for this training. HMEP grant funds have provided an excellent mechanism for the States to provide this required training in a cost-effective manner, and the benefits of this funding have been demonstrated in the improved competencies of emergency responders.

In summary, NASTTPO provides the following position statements: We oppose any reduction of hazardous materials shipper and carrier registration funding for grants to benefit firefighters, State Emergency Response Commissions, and LEPCS, which might result from using an all-hazard approach to distribution of funds. We support the current U.S. DOT hazmat funding priorities and oppose giving hazmat funding prioritization authority to another agency. We feel that there is a strong likelihood that HMEP funds will be lost if the program loses the support of shippers and carriers. We anticipate that this support will be lost if the funds are not used for the purposes

intended by Congress in writing the legislation that created the HMEP program. If the monies are not distributed as intended by the law, the shippers and carriers will have an opportunity to file suit, resulting in an unnecessary cost to the government and non-payment of fees. The result of such an action will most likely be a permanent loss of these much-needed funds.

If the preceding scenario does indeed take place, the support for reauthorization of the HMEP grant program will also be lost due to the fragmentation of HMEP's original coalition of supporters. And, finally, we feel that the common sense that dictates the existing HMEP grant funding program should not be changed, since it is already serving the emergency response and planning communities in an exceptionally effective manner. Thank you.

MS. KELLOGG:Thank you. The next speaker on the list is Jerry --

excuse me -- Goudreau.

MR. GOUDREAU:Good afternoon. My name is Jerry Goudreau. I am chairman of the State Emergency Response Commission in the State of Connecticut. And, basically, I don't have a position statement, but really would back NASTTPO and their position relative to the current funding, and how it is being handled. We get considerable funding from HMEP through their grant program. We also get funding from EPA. The basic feeling is that if the funds are put into what we will call a general fund, they will lose their identify, and when they lose their identity, we lose funding. That is basically our position, and I thank you very much.

MS. KELLOGG:Thank you. The next speaker on the list is Bob Dopp,

MR. DOPP:My name is Bob Dopp. I am with the Missouri Department of Public Safety, Division of Fire Safety. I received notification that this transaction was possibly going to occur, and I went out to the fire service in the State of Missouri, as well as to some of the LEPCS, and the issue that was given back to me was: Why change it? It is working well the way it is right now.

One of the other concerns that I have with it being under the change that is proposed is that what if another work furlough occurs? Funding mechanisms stopped in the State of Missouri. We did not see any 305(a) money coming in for training firefighters, law enforcement, EMS personnel. It was delayed. It came in spurts. We could not depend upon that money.

We knew how much money we had under the HMEP program, We utilized that money to replace the plan that we had in place, as far as providing training for first responders, and we do not think that it needs to be changed. We support the program. We support the efforts of Mr. Rogoff in the program, and he is working well to provide us with more funding each year. We do not want it to change as it is. Thank you.

MS. KELLOGG:Thank you. The next speaker is Dave Crose.

MR. CROSE:Hi, my name is Dave Crose with the State of Indiana. We are not in a position to take a definite position on issues at the current time due to the shortness to prepare for this meeting. But I would like to make a few comments from my involvement in several different programs, the HMEP program, for the State of Indiana and the SERC 305(a) program. Also, I am involved with the Midwest High-Level

Radioactive Waste Committee and the 180(c) issue. And some of the same issues that are being addressed by this committee have also been addressed at several meetings of the four national groups involved with funding streams from the Department of Energy on how we are going to handle funding of the (?) furnishing of 180(c) funds to different emergency responders throughout the country.

I would suggest if you are going to be involved in a process such as this of coordinating grant activities from several Federal agencies, that ought to start from the bottom up. And I would suggest that somehow there be comments solicited from all grantees from throughout the entire country on what their opinions are as to whether these grant programs should be all put under one umbrella or one agency.

I guess part of it is whether do we want one Big Brother or several Big Brothers dictating to the States what we should be doing with funding activities. Some of the other comments I might make is as far as my experience -- I have been involved with grant programs for at least 25 years in one way or another -- currently, the simplest program that I have seen is the one that is being administered by the HMEP program through the Department of Transportation, because the funding comes direct to whoever the governor's designee is, and then that governor's designee sees that those funds are dispersed in that State.

I think we should have some kind of system similar to that. Several other Federal agencies, the funding level and the guidelines come from headquarters, then they go from headquarters to a regional concept. Then they come down from a regional concept to the States. I think it should be kept as simple as possible.

Also, the current trend around the country in some of the congressional mandates is to let the funding come from the Federal government to the State governments either in block grant programs or similar type programs and let the States decide how they want to spend the funds. And I strongly support that position. And I would strongly suggest that the input be solicited from throughout the country on this type of suggestion that all the grants for the entire country come under one Federal agency. Thank you.

MS. KELLOGG: Sir, excuse me. I didn't get where you were in the State of Indiana. What department or agency.

MR. CROSE: I work for the Indiana State Emergency Management Agency. I also am here on behalf of the Indiana SERC. As I stated, until we have more information, we are not going to take a definite position on this issue. That is the reason we need to have more information. I am stating from my experience in administering several of these type of programs.

MS. JONES: David, can I ask a question? Because I didn't understand. I thought your earlier comments were in support of the HMEP program the way it is, and I thought your conclusion was that you supported one single funding stream. Did I misunderstand?

MR. CROSE: Yes, you did misunderstand.

MS. JONES: Okay. I am sorry. The conclusion was ---

MR. CROSE: We think, first, that the HMEP program is the simplest program currently. Secondly, what I understand the issue is here is -- this started about a year ago -- apparently of trying to put all the grant programs under one Federal agency.

MS. JONES: Actually, what the subcommittee -- whatever understandings or misunderstandings there were -- what we are currently trying to do is figure out if there are problems with the funding grant programs as they now exist and if there are improvements that State agencies would like to see.

If the improvement is consolidation, you know, so be it. But the whole purpose of this is -- you know, it has not yet been decided. We are in Stage 1, listening.

MR. CROSE: Okay. Good. Thank you.

MS. KELLOGG: The next speaker is Jeff Beattie.

MR. BEATTIE: Good evening. My name is Jeff Beattie. I am employed by the Ohio Environmental Protection Agency, and I am basically providing the words for Mr. Ken Schultz, who is the project manager for the current HMEP grant program in the State of Ohio, as well as Mr. Schultz also serves as co-chair to the State Emergency Response Commission in Ohio. I am here this evening to express concern over the reported efforts to place the management of the U.S. DOT/HMEP grants under FEMA to be aligned with their comprehensive cooperative agreement and the FEMA 305(a) funding. The sales point that is being touted is that these funds are used for planning and training, and in many cases, the same State agency manages both these programs. Apparently, the considerations that resulted in the separation of these programs originally when U.S. DOT was establishing the grant has been lost. We, in Ohio, were pleased when U.S. DOT did not select the easy choice. This action has resulted in a program that directly benefits local chemical emergency planning and preparedness.

In Ohio, LEPCs have used this current HMEP funding for extremely hazardous substance facility hazard assessments, commodity flow studies, exercises, and plan revision. Prior to the Emergency Planning and Community Right-to-Know Program's implementation, only 11 of Ohio's 88 counties had an all-hazards plan that dealt with tornadoes and natural disasters. Ohio was fortunate in being able to adopt a State EPCRA program with a filing fee that has provided us with an LEPC grant program since 1989.

With State funding, we were able to increase the number of approved county plans to 52 with 34 others currently under development. With the added help of the HMEP grant program, we now have 100 percent of our counties that have submitted a plan to be reviewed by the State Emergency Response Commission. Only 10 of those plans remain to be concurred with by the Ohio SERC. The same type of success has been experienced in the annual increase in the number of exercises performed by the Ohio LEPCs with the help of the HMEP grant program.

With the creation of the HMEP program, counties were able to conduct commodity flow studies. Without the HMEP program, our focus primarily was on EHS facilities. Up to 30 counties in Ohio have, or are currently undertaking, the project of commodity flow studies.

Training has virtually doubled in Ohio. Under previous existing and 305(a)-funded programs, training was offered either through the State fire academy or the emergency management agency.

While these sources still provide an excellent curriculum of classes to Ohio's firefighters, EMS, and emergency managers, many additional groups were not reached, who also have a role in the emergency planning and response process. Because of the pass-through requirements of the HMEP grant program, LEPCs are provided with the opportunity to develop a work plan individualized to meet their own local needs. The fact that the HMEP grant is a drawn-down program guarantees that the training planned by this local involvement is actually being conducted.

Last year, partially because the Ohio firefighters decided that they did not want to take courses through our State fire marshal's office, and partially because of the lateness of the FEMA 305(a) award to Ohio, nearly 40 percent of Ohio's F-EMA 305(a) money had to be returned. FEMA 305(a) funds were again awarded late this year, while the HMEP grant funds were right on time. Congress' intent, when it enacted EPCRA, was to create a program that caused people from a wide variety of backgrounds to come together to ensure that the entire community was prepared to respond to a chemical emergency. Fortunately, when the Hazardous Materials Transportation Act was passed, Congress saw the key relationship that transportation played in the community. The act required the development of a program that benefitted the LEPCS.

To now take this program from under those broad-based organizations, that being the SERC and the LEPCS, for the easing of paperwork, placing it in the hands of one or two, does not support the continued benefit of planning and training at the SERC and LEPC level.

In Ohio, our SERC has 19 members; our 87 LEPCs have a total of over 2,100 members. And because of the way the current HMEP grants are managed, there is a broader base of individuals who are aware of what training is needed and what opportunities exist. We feel that this is exactly what Congress intended when it passed the Emergency Planning and Community Right-to-Know Act and the Hazardous Materials Transportation Act. Thank you.

MS. KELLOGG: Thank you. The next speaker is Peter Jensen. Oh, there is a question maybe for clarification.

MR. JENSEN: My name is Peter Jensen, and I am a consultant with a company by the name of Cork Management Service, and I am representing the other side of the equation, which are several of the trucking firms which are paying into the funds, as well as several facilities which are paying State fees into various systems. I don't have enough information either to provide my client or really to take a stand on this issue today. And I would like to frame my comments in suggestions on where the committee should possibly go in the future.

It seems, in hearing the previous speakers, that there is obviously a difference in what people think the proposal is, and I would suggest that the committee might want to sit down for not only the people who are receiving the funds, but the people who are paying in the funds, and define specifically what your goal is.

One of the concerns of the trucking industry and other people that I represent is that the funds that are being provided to State and local governments are being used efficiently. If your proposal is to consolidate a program to eliminate the overhead that is going to provide more money to local governments and the local/State governments, I think we would support that. I think we would wholeheartedly support that. And that would be my recommendation to the clients.

I don't think it is a matter of one agency over another being more able to provide funding to the local governments. I think what you are looking at is which agency, whether it be DOT or FEMA or EPA, or whoever it may be, can administer the programs most effectively to get the funds down there. And if through your evaluation, you find out that agency is EPA, so be it. If it turns out to be DOT, so be it. If it turns out to be FEMA, so be it. And I would encourage the committee to look at who can handle not just their funding flow, but the funding flow most effectively to get the most bang for your buck down through the system.

I think another concern for [sic] industry insofar as the funding flow is that we be sure that the funds are not being misdirected. We would like to see, for example, that the funds, if they are applied to a certain process, or pay for a certain process, are used for that process and are not going to supplement other grant funds. In other words, you are not taking grants from one agency to supplement grants from another agency and kind of mingling of funds.

We would like to see a distinct funding operation, whereby you know that if you are getting 305(a) monies, it can be used for this. If you are getting HMEP monies, it can be used for this. And that those programs, if they can be administered in an effective way to the State and local governments, can be. But everybody knows where the money is going.

And I think that has been a concern on the part of industry. And the fact that if we are contributing funds to this agency, and if we are contributing funds to that agency, we want to make sure that they are being used for that. And I know that there has been concern raised in the trucking industry, particularly where the States are administering fees now that these funds are being used appropriately. So I think the charge I would make to the committee is, number one, define specifically what you are talking about. If you are talking about giving the funding program to FEMA, that is one issue. If you are talking about giving the funding program to an agency that can effectively administer the program wherever it is, I think that is a more appropriate thing to look at.

Number two, can you administer the funds effectively for a ~~cost~~ reasonable basis? If you cannot combine these programs and administer them for less dollars, then there is no sense in combining them at all. I would think that would be the route that you would go and, most certainly, one that I can take back to my members that are the force that is contributing the funds, and urge them to support, not only in the review process and reauthorization process of the many programs that are coming up.

I think that is the charge for the committee, and if you take the individual agencies and turf battles out of it, I think you can come to a rational decision. We just heard a wonderful report on the part of the National Response Team that they are combining planning programs. We have the Plan One System. We are starting to combine the terminology, and I think that going into the funding system is a natural outcome of that. And that is the route and that is the program that I would suggest that you follow. Thank you.

MR. THOMAS (?):[Not at microphone.] I have a question -- do you represent a number of trucking companies?

MR. JENSEN:Yes, I have several trucking clients.

MR. THOMAS (?): So that I am clear. Are you saying that your clients are concerned that the funds that are raised through the transportation fees that fall on trucking companies may not be used to the benefit of hazmat transportation?

MR. JENSEN: I think that my clients have raised the issue on how the end funds are being used. And the issue, I think, is a greater concern, for example, in States that have a secondary fee structure, for example, Wisconsin, which is also known for charging shippers the highest trucking fees in the nation for hazmat transportation. And they are asking the question: You know, all this money is coming in. Is it all going for the support of hazardous material response? Are, for example, we seeing that agencies might be diverting for natural disaster planning, which I think is a little bit of a stretch from what the intent of the program was. I think there has to be clarification. I think there has to be some clarification, too, with, you know, are the 305(a) monies, you know, that are being used for EHS sites, you know, are they going for EHS sites, or are, for example, some of the transportation funds being co-mingled with that and planning for facilities that were kind of beyond that?

MR. THOMAS (?): Are legal issues involved here? The use of these dedicated funds.

MR. JENSEN: Well, I am sure that there are, but I think it is more of a trust basis. I think that the HMEP process, and I think even the SARA funding process, when it started out, involved a tremendous amount of industry support, and I think that support has been critical to the success of all the programs. And we have really broken down a number of the barriers in between industry and the private sector across the board on a lot of hazardous material issues. And I think that the process of that breaking down of those concerns should continue.

And I think that if this committee can clarify some of those issues in saying that this funding flow goes here and this funding flow goes here, and that, for example, we are distributing those funding mechanisms, whether they are tax dollars, whether they are fee structures, or anything else related to that, that you

are distributing them in an effective manner and that the administrative costs are effective. You know, what is most cost efficient? That is the name of industry today. That is the name of government today. And I think that is the charge to the committee. And whatever process you find is most cost effective and meets the needs of the community that is receiving these funds, I think we would be willing to support or I would be willing to tell my clients to support when this process comes up whether it is reauthorization or whether States decide to change their funding structure or whatever.

MS. KELLOGG: Thank you. The next speaker is Robert Kraus.

MR. KRAUS: My name is Robert Kraus, and I am here representing the Missouri SERC. In that last minute, I signed up for that just to make a few comments. But while the other speakers were speaking, I think I would reflect much of what has already been said, particularly in the first speaker, Paula McKinney, when she indicated to the audience that we were satisfied with the way the system is currently set up.

Our office administers the HMEP fund as well and the SERC, and we, as the SERC, also work diligently to spend the 305(a) money as well. Some problems that I have seen with the 305(a) money is that, again was mentioned a little bit earlier, about sometimes it being sporadic. I recall -

- when I started here in '87, we had about \$48,000 one year, \$100,000 the next year, and I was in charge of doing that at that time, and it fluctuated smuch it was very difficult for us to have a consistent amount of money to do our planning. And that seems to be the case currently. That we are not quite sure from one year to the next how much we are going to be getting. One thing, though, that I think is important is that the HMEP fundswe have expanded what we have done in the past, particularly trying to focus that money towards transportation-oriented assistance or training or whatever.

We have tried to use the money for flow studies, for training assessments, for hazard analysis, and also contribute some of that toward the planning process for the LEPC. My feeling is, as well, that I would like to see EPA come up with some money to help us do more technical training. As most of you recall in the past, we had technical guidance that came out, but a lot of that has been lost in the past few years on how we actually go about doing some of the hazard analysis for REHs(?), let's say.

And I think we really have a broad gap, and I think money needs to be focused on that again, and hopefully, we can maybe come up with some solution to trying to focus that again. One thing else is that, you know, I have been with kind of both sides of the fence -- I am with the Division of Fire Safety -- but I think that we really need to take a serious look at trying to make the money that we do have now in that 305(a) money become mor3 effective and not try --- In my opinion -- or my experience anyway, it is difficult for us to deal as a non -- not having a Federal counterpart, let's say, in our State, not having a Federal counterpart to deal with the CCA program itself, because of some of 95As, which used to be the program, and some other type of CARL system. I am not really certain on that. But it seems like the bureaucracy involved in that makes things so difficult that we could not even engage in an accurate accounting of how that money was spent, because only one State agency could interact there. I see that being a problem for us in our State.

But all in all, we are pretty well pleased with the way the system is set up, and we have to say that with the HMEP money, that was just another feather in our hat, so to speak, to enhance some areas of emergency planning and emergency response, particularly for the firefighters and first responders to more or less focus on something that we hadn't focused on in the past.

MS. KELLOGG:Thank you. Questions?

MR. THOMAS (?):Could you tell us how many agencies are involved in your SERC?

MR. KRAUS:On our SERC, under our statutes, we have four State agencies that are on the SERC, the Department of Health, the Department of Public Safety, the Department of Economic Development, and the Department of Natural Resources. And then we have a i4-member commission altogether.

MS. JONES:I am going to ask you this question and also ask future speakers if you can address it as well. The funding that the State of Missouri currently receives is -- I heard you address HMEP money; 305(a) money, from time to time, CEPPO, EPA money -- is there any other funding that you receive from the Federal government for hazardous materials activities?

MR. KRAUS:We have had some grants from EPA from time to time.

MS. JONES:The technical assistance grants.

MR. KRAUS:Right. Technical assistance grants, Right. But that is about it.

MS. KELLOGG:The next speaker is Rayna Leibowitz.

MS. LEIBOWITZ:Hello. I am Rayna Leibowitz, senior hazardous materials planner with the Maine Emergency Management Agency. I am the EPCRA coordinator for the State, and my agency handles all elements of the EPCRA program. While I support and endorse many of the comments that my predecessors have made, I would like to address something -- a little bit different approach -- in that I look at the issue, as I see it, and have personalized it and said, how will this affect me?

And I think we need to recognize that EPCRA requirements, as they are implemented at the local level and at the State level are actually bringing together an inter-relationship of different programs, different agencies, different organizations, and it is a common goal that they strive to achieve. Because of the multitude of laws and regulations that are involved in this, it is important for me personally, to do an effective job that I am supposed to be doing, to have multiple sources of information. And one of the things that I have found is the more organizations I am networking with, the better my sources of information are. When you narrow it down to a single organization as a funding source, there is a natural diminishing of sources of information as well that needs to be identified. That is a detriment to me and my counterparts doing an effective job, and I have a problem with that. I would like to make the comment that multiple funding sources strengthens partnerships, and that is what we are all about. Thank you.

MS. KELLOGG:Thank you. The next speaker is Pepper Karstendiek.

MR. KARSTENDIEK:Good evening. My name is Pepper Karstendiek. I am the manager of distribution services for the Dow Chemical Company in North America. But I am here tonight speaking on behalf of the Chemical Manufacturers Association, as a member of the Distribution Committee.

CMA is a non-profit trade association, whose member companies represent more than 90 percent of the productive capacity of basic industrial chemicals in the United States. The DOT registration program directly affects CMA members, because virtually all of us now pay registration fees. That is some 185 members, by the way. CMA has supported the DOT registration program from its inception. Our support is based on the understanding that the collected funds will be used for one purpose, to provide Federal funding to States for public sector hazardous material emergency response training and planning. CMA does not support co-mingling any monies into general funds available for other purposes. If that were to happen, we would have to closely examine the proposal that changes how these fees are collected and dispersed. Thank you. I can't comment about other monies. We don't get any from the Federal government, but we would appreciate any.

(Laughter.)

MS. KELLOGG:Thank you. The next speaker is Chuck Sanders.

MR. SANDERS:My name is Chuck Sanders, Alabama Emergency Management Agency. I am a hazmat planner, grants coordinator, HMEP, SARA, hazmat, and the (?) for the State of Alabama this year.

I, you know, sit here listening to all this, and I have got some definite views, personal views, on use of these funds. My boss said, Chuck, say this. Okay. I am just going to tell you what my boss said to say. Then I am going to tell you my feeling as I have let it be known. First of all -- pardon -- my boss and I sat down and discussed it with him before ~~wame~~, and he came to the conclusion that -- the funding stream should be one funding stream coming out of Washington. And he advanced that idea at the National Governor's Association Conference in Orlando last fall. But he also stipulated there should be some options associated with that. In other words, don't close the door. And he made that very clear to me. First of all, I personally believe that the folks that provide the grants ought to sit down together first. I didn't think this was the proper place personally to have everybody here. I think those folks need to sit down and iron some of their differences out.

You all remember King Solomon had the baby, and the two mothers that claimed rights to the baby. And the king says, we can fix that real fast. Give me a sword, and he was going to cut the baby in half. Somebody had to say "uncle." Okay. I think that is what is going to have to happen here. Get some feedback from the States through the *Federal Register* if that is possible that way, without a proposed rule. That may be impossible. But I think the process -- this is probably a good forum to start the process for the feedback, and you need that. You need to know what the folks are thinking out there. As I manage the -- also, one of my jobs is the SERC coordinator for the State of Alabama, and as I manage those monies for the State, I want the most bang for the buck. I don't want the money diluted. So if that means -- if it all went into one pot and it were diluted and it lost its autonomy there, in using it for those folks out in the field, those firefighters who need those kinds of training, those emergency managers, or those emergency response personnel. Keep the money where it is, and the way it is flowing right now.

That is a personal opinion, in my view. I think, personally, you are going to lose that autonomy if that happens, but my last comment is don't do anything to jeopardize this funding until the folks have sat down, the parties have sat down. Solicit comments from the States, and I think that way we can all arrive at the same place at the same time. Thank you very much.

MS. KELLOGG: That is all the speakers that are on our list.

MS. JONES: Are there other people who would like to speak ~~enny~~. Well, come on.

MS. DAVEY: Good evening. I am Jenny Davey. I am the hazardous materials coordinator with the Boise, Idaho fire department; a member of the Ada County local emergency planning committee; and in my previous life, was director of the Idaho Emergency Response Commission.

Having gone from a State program development and policy-making position and now working for local government as the person who is in charge of the Chemical Emergency Response Program for the City of Boise and for 11 counties in southwest Idaho, my perspective has changed a little bit over the last five years, as I have moved down into the trenches and am in a position where we are actually providing the training and where the lives of hazardous materials responders are literally in my hands day after day. It is all very well to solicit input from the States. It is an important thing to do. The idea of, as you mentioned, *Federal Register* notice that would allow public comment is wonderful.

I am going to ask you to explore some other mechanisms, because, frankly, where you need the most input is from the very lowest local level, where we tend not to be aware of initiatives that are

happening at the Federal level, and you need to drag information from us somehow or other. When HMTUSA first happened, and I was participating in NASTTPO, and we had discussions about where we would support the funding being channeled through and pretty unanimously said, please give it to the Department of Transportation, because we felt like programs were handled much more efficiently there -- we addressed this question once already -- now it appears to be back. I don't know that things have changed enough over the last five years to say that we ought to move that funding mechanism. What I would propose is this.

I propose that we tend to look at these things far too politically. That we tend to form political alliances and to stand by them no matter what.

I would like to point out to you a decision-making hierarchy that I have established for the decisions that I made within my position in the Boise Fire Department. The number one question is: Will the effect of this decision -- is this going to affect life safety in any way? Is it going to affect the safety of firefighters? And is it going to affect life safety of the public? That is the first question that has to be answered in the affirmative. If there is going to be a decision that affects that, then we affect it positively.

The second question that we ask is: Will this decision have any impact on the effectiveness of people who are trying to do their jobs? is it going to make them feel better or more comfortable about being able to do their jobs?

The third question: Does it affect our mission statement in any way? What is the mission statement of Federal funding for hazardous materials programs at the State and local level? Do you have one? Great. Then let's make sure that the mission statement is appropriate and that we are meeting it. Finally, after those questions have been answered, then we can start looking at financial, economic questions and political feasibility. But please put that safety issue number one. Please do that every time.

Right now, the way the funding is coming into the State of Idaho my firefighters are getting some dynamite training. I am sending people to Pueblo, to the Transportation Test Center. They are getting some of the best training they can possibly get. We are hiring instructors through the State Emergency Response Commission in cooperation with emergency services training at the State level. We are hiring those instructors out of Pueblo. We are bringing them into a fledgling training center in-state. We are getting great training for our guys. We are bringing programs in from the National Fire Academy. The question about EPA funding, some of that stuff is not quite so obvious. EPA is funding hazardous materials training programs through the National Fire Academy that is, again, some of the best training, essentially free, to firefighters across the country.

It costs us meals for a week to send people to the National Fire Academy and get dynamite hazmat training. Looks to me like it is working pretty well. I am extremely happy with the quality of training that we are getting, with the way the funding is coming through SERC and being handled by an agency that is really focused on hazardous materials issues and keeping that money channeled and focused in the hazmat arena.

MS. KELLOGG: Thank you.

MR. ANDREWS: Good evening. I am Bob Andrews. I am director of emergency management for Clark County, Nevada, and a member of the Nevada State Emergency Response Commission. Previous to this, I have been director for the Nevada State Emergency Office and executive director for the State Emergency Response Commission.

So I have seen the funding programs as they operate through both entities, emergency management and through U.S. DOT, and I think the emergency management CCA program is a good program. It has accomplished a lot throughout a national(?) as a single funding source for emergency management.

But I feel that, by far, the most effectively administered Federal grant program that we have any experience with is the HMEP program. And I am here to unequivocally support the administration of that program to continue as it currently is, and also to indicate to you that in my conversations with the State emergency management people, that they additionally support no change in the HMEP program.

It has been very, very responsive. And one final thing that I would say it has already been said, but I think it is very, very important -- while both programs are good, I think one of the differences in the U.S. DOT State Emergency Response Commission approach is that of representation.

Emergency management is my alma mater; however, through the State Emergency Response Commission and the LEPCS, you have broad-based representation across various disciplines, and I think that serves us very, very well in terms of determining funding priorities and using them to the best advantage of everyone. So that is our comment again in support of the HMEP program as it now exists. Thank you.

MS. SUTTON: My name is Nancy Sutton -- can you hear me? My name is Nancy Sutton, and I am a senior hazardous materials specialist with the governor's Office of Emergency Services in California. We administer FEMA funding, the HMEP funding, and funding from grants from EPA.

I think that we have clearly heard a lot of pros and cons for going with one agency as opposed to multiple agencies in administering these funds. However, that is not our criteria. We frankly don't care whether one agency administers or three agencies administer these funds. We want the most efficient use of the funds, and we want you to be able to transmit as many funds as available to us. Because we have found that over the last five, six years, and ten years, we have been able to use these funds for a multitude of programs that have been very beneficial to the local level, the regional level, and the State level.

I think, though, that we need to discuss some of the criteria for the grants and try to look at some of the similarities where you can streamline them as much as possible, make them similar, whoever administers the grant programs. For example, I just last week was talking to some of our fiscal people, and they were saying some of the difficulties in the grants is that some are on Federal fiscal years, some are on State fiscal years, some are on calendar years, and they don't deal with the grants on a day-to-day basis. So it is difficult for them to try to keep up with which ones are due when.

Some of the other difficulties are: There is nothing more frustrating than to be a State employee trying very hard to come up with as many resources as possible to accomplish some of the

programs that you think are going to be productive for the local level and finding out, you know, your hands are tied.

You can't find any resources, and then you talk to another State, and they say, well, we just got a grant from this agency for this criteria. And you are like, wow, I wish I had known. I could have applied for that as well. So what I would ask you to do, as a subcommittee, is look at the similarities within the grant programs. Try to come up with a centralized clearing house for acknowledgements of when grants are due. Talk to the HMEP people, because they have provided a yearly workshop, where they clearly define for you the method to apply, what the criteria is for using the grant funds, how do you fill out claim forms. They give you all the forms available. They go through them on a day-to-day basis. You can call people with information and ask your questions, so you can fill these out in a timely and efficient manner. And, above all, make sure that all States have the information consistently. So that we can all apply for the same funds for the best use of the available resources that we have. Thanks.

MS. JONES: Thank you. Others? I would like to take a moment to tell you about the next steps and also to ask other members of the subcommittee if they have any comments or observations they would like to pass along.

First of all, I want to thank everyone for the thoughtfulness and the directness and the speed with which you delivered those comments. I have got to admit it was difficult to sit here and not interact on some of your comments, but I appreciate them very, very much.

I would like to clear up one potential misunderstanding here. It seemed that some of the commenters alluded to the fact that perhaps there had already been a decision made, and I want to assure you that this subcommittee is gathering information.

In the spirit of government reinvention and trying to improve our customer service, we are just coming to you, our customers, and saying, what about the process that we use? We realize that there are several agencies involved at the Federal level and also that the people who receive our funds are not always the same agency within the State. And so we certainly don't want to take our coordination issue and pass it on to the State. So I just want to make it clear that there is no presumption here that we are going to consolidate all of the money unless, you know, we hear from you that that is a reasonable thing to do.

In terms of next step, unfortunately, the National Response Team was not very kind when they handed the mission to the subcommittee. They asked that we provide a report to them in August. So at our first meeting, most of the subcommittee members expressed a strong concern that that was a very short time frame, given that we really need stakeholder input. However, we will continue to collect the information from the Federal agencies involved about our programs, what the intent of the program is, who receives the money, and what the money is used for.

We will also look for other methods to get stakeholder input to make sure that we really do have representative information from everyone who is a grant recipient or a potential grant recipient. And then we will put together a report to provide to the National Response Team.

And at this point, I think that that certainly will be a preliminary report, perhaps with a recommendation on where to go from there in order to finish this off. And I would like to invite other members of the subcommittee to add your comments about where we are going.

MR. ROGOFF:I would also like to just thank everybody that has provided comments. They have been very useful to me, very helpful. As I say, we have transcribed-- recorded your comments. I will be anxious to get them in writing to review them at greater length. Appreciate it very much. Thank you.

MR. THOMAS (?):We know how fast the turn-around time was on this, and how fortunate it was there was a gathering like this to allow us to get comments. But we know, too, that there are many other organizations and State and local governments that really were not here that you might know about that should also comment. Given the fact that we have a short turn-around time, we discussed before the possibility of at least establishing a deadline. So it would be a fax deadline. We haven't really concluded on that with Kathy.

I don't know how you feel about that, but it would seem reasonable to establish a fax deadline, so you might contact, should you want to, any of your friends and neighbors to let them know that there is an opportunity, and that we would like to hear a short paragraph or so as to how they feel about this -(inaudible).

If that is agreeable to the group, we might try to do that prior to the next meeting of this subcommittee. In other words, to say that we would have a fax deadline that would need to be turned -- or comments that need to be faxed by no later than the 10th or so of next month, giving an opportunity for comments to come in, from localities and other States who are not here.

MR. THOMAS (?):It depends really on the ability of the folks in the audience to really to contact others that they know might be similarly interested. Yes.

MS. MEMBER OF THE AUDIENCE: have a comment.

MS. MEMBER OF THE AUDIENCE: could you just for the record's sake -- I know that it was talked about several times -- (inaudible) -- what is the proposal that we are commenting on. Could you definitely define that for us so that it would make it easier -- (inaudible) -- comments would be better ---

MS. JONES:Okay. First, let me say, there is no specific proposal. The mission of this subcommittee is to study the existing grant programs to States and to identify any problems with the existing programs and any recommendations for improvement. And based on that input -- okay, whether it comes from us or [not] from us -- we are to make recommendations on what could be done to improve the system. So, at this moment, there is no proposal. We are still in that gathering phase. Does that help?

MS. MEMBER OF THE AUDIENCE:Yes.

MS. JONES:I know that rumor mills are frequently rampant, and I think that that has happened, you know, in this case. But, sincerely, we are just seeking your opinion on: Do you have problems with the way that we currently provide money to you? Other than not enough money.

MR. THOMAS (?):Yeah. The initiative was started by the National Performance Review language, and I think it said "study." Certainly, no firm recommendations, but a study of various proposals.

MS. JONES: And in terms of the idea of faxing comments to us, let me say that you are always welcome to fax comments to us, good or bad, about our programs. And if on this particular issue, if you go back home, or you talk to other participants that weren't able to attend this session, and they want the opportunity to give us their opinion, we would very much welcome it. I gave you my fax number earlier and offered as co-chair to collect that and make sure it gets to the rest of the subcommittee and that it is considered for this particular report. And my fax number again is (202)260-7906.

MS. JONES: I guess what I am -- the next meeting of the subcommittee is the 11th. So if you get us comments before that time, then we will be able to use them. However, I don't really see the need for having a deadline for comments.

I mean, if you get them to us, we are going to use whether the report is done or the report isn't done. However, know that we do have to provide some kind of report to the National Response Team at their August meeting. So you want to influence that report, the earlier the better.

MS. SUBCOMMITTEE MEMBER: I think by the middle of July is probably a reasonable time frame.

MS. JONES (?): I think that is a good suggestion. Yes.

MR. DOPP: [Not at microphones] Would there be a possibility that the grantees could receive some background on this so we could pass it on to the other people who want to give their input --- My first recognition of this was I received a letter from Carole Brownard to -- (inaudible) -- and in that there was a discussion of putting it all under one funding mechanism -- was discussed -- which she did not -- or they did not have a representative at that meeting apparently. They weren't aware of it. It kind of leaves us in the middle -- what started this -- what letter first started -- that letter -- there has supposedly been another letter -- (inaudible) among the agencies. If I have the background information -- when I ask for input from my firefighters in the State of Missouri, or law enforcement, or the people -- I need something to let them know why they need to voice their opinion -- (inaudible).

MR. THOMAS (?): I think the basic document, if there is such a basic document, is the National Performance Review proposal recommendation.

MS. JONES: Do you have a copy of that with you?

MR. THOMAS (?): Yes, I believe I do.

MS. JONES: Because what we can do is make some copies of the one pager and leave them at the registration desk. Anita, is that possible?

MS. KELLOGG: Sure.

MS. JONES: That we make some copies before tomorrow morning. Okay. And in terms of correspondence that has gone back and forth, you know, I won't tell you that there haven't been some proposals. But what I am trying to make clear is that what this subcommittee is supposed to do is to examine the problem. We haven't been asked to address a specific proposal. Rather we

have been asked to go to the people who count, you know, who receive this money, and have to deal with the process.

You know, I appreciate the comments I heard about streamlining the process, because I think there is always room for improvement in that, less paperwork. And so we appreciate those comments, too.

MS. JONES: Anyone else?

MR. ROGOFF: Well, in answer to what Bob Dopp said, any material that I have available in my office, as has been my practice, is available to you via fax or any other mechanism. So if there is something that you want, I think most people know it is 366-8700. I will be glad to keep you up to speed to almost everything I have. And, again, I would like to add my thanks to those of the subcommittee for your giving us your input tonight. It is really important to hear from as many people as possible, and hopefully, we can bring all of the information out and make the process better, because of everything that we have received. Thank you again.

MS. JONES: It looks like it is a wrap. I thank you very much again. Go out and have a good time.

(Whereupon, the meeting was adjourned.)

ATTACHMENT B
LOUISIANA OFFICE OF EMERGENCY
RESPONSE SUBMISSION

July 9, 1996

Louisiana Office of Emergency Preparedness
NTH Division
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Telephone: 504-342-0926

NRT FEDERAL GRANTS REVIEW

The Louisiana Office of Emergency Preparedness (LOEP) administers the funds for the HMEP Planning Grant. This method seems to work well for the Parishes that wish to participate in the program. LOEP is the coordinating agency for all sixty-four (64) parishes in the State. We deal with the locals on a regular basis, therefore they are familiar with this Agency. LOEP is the agency that reviews the hazardous materials annex to the parish plans. Having the Grant Funds coordinated by one (1) agency would make life much simpler for our local emergency preparedness organizations. As it is, they are having to turn in paperwork to at least two (2) agencies for the existing grants.

The HMEP Planning Grant has been of great help to the parishes who have chosen to participate. The funds have enabled them to enhance their HAZMAT plans. The biggest problem seems to be for the local emergency preparedness organizations that have limited funds. They would like to take advantage of the grant, but are unable to put up the funds out-of-pocket and then be reimbursed. If provisions could be made for a partial advance, we would have a much larger number of participants.

ATTACHMENT C
NATIONAL EMERGENCY MANAGEMENT
ASSOCIATION SUBMISSION

The Honorable James Lee Witt Director
Federal Emergency Management Agency
500 C Street SW
Washington, D.C. 20472

Dear Director Witt:

The National Emergency Management Association (NEMA), on behalf of the state directors of emergency management in all 50 states, the U.S. Territories and the District of Columbia, would like to express its support for FEMA's initiative to consolidate hazardous materials programs and funding under the Federal-State Performance Partnership Agreement (PPA).

The PPA promises states more responsibility and accountability for implementing their emergency management programs in an "all hazard" approach, and allows tailoring of federal funds to meet the specific needs and priorities of each individual state. Having overnight authority and funding mechanisms for hazardous materials programs scattered throughout various federal agencies makes it impossible for states to realize the consolidated funding programs and the full flexibility promised by the PPA.

NEMA surveyed the states in December 1995 regarding the FY96 PPA/CA program. One of the few criticisms of the process concerned the segregation of a few programs, including hazardous materials, outside the PPA. In a position paper passed unanimously by the membership during the 1996 Mid-Year Conference, the states requested that FEMA take the lead in seeking appropriate and necessary federal statutory, code and guidance changes, to allow for a truly all-hazard approach to emergency management consistent with the spirit of the PPA.

We applaud your effort to ensure an all-hazard approach to emergency management across the nation. NEMA is pleased to provide its full support for this initiative.

Sincerely,

signed Richard Andrews
NEMA President

ATTACHMENT D
FLORIDA STATE EMERGENCY MANAGEMENT
DIVISION SUBMISSION

Ms. Kathy Jones, Acting Associate Director
Program Implementation
Chemical Emergency Preparedness
and Prevention Office
U. S. Environmental Protection Agency
Mail Code 5 1 01
401 M Street, Southwest
Washington, D.C. 20460

Dear Ms. Jones:

Thank you for the opportunity to comment on the National Response Team's (NRT's) evaluation of consolidation of federal hazardous materials grant programs. Florida's Division of Emergency Management (DEM) has experience as a recipient of hazardous materials grant funds through the Environmental Protection Agency (EPA), the Federal Emergency Management Agency and the federal Department of Transportation. In each case, the respective federal agency has provided an appropriate level of guidance, flexibility and oversight in administering the grant programs. Using the funds, Florida has made many improvements to its hazardous materials planning and training system.

Although many have provided testimony as to the merits of the individual grant programs, Florida feels strongly that consolidation may also prove to be effective. In Florida, we feel fortunate that DEM, as staff to the State Emergency Response Commission (SERC), serves as the financial manager for each of the federal grant funds. In this manner, the SERC can provide policy guidance for use of the funds, ensure that the funds are coordinated as efficiently as possible and encourage programs and projects that build on each other. Effectively, in Florida, the SERC has "consolidated" responsibility for delivery of hazardous materials planning and training grant resources with DEM.

Administration of the grant programs under a single federal agency would benefit from a similar consolidation. In the short time that the NRT has studied the grant programs, the issues with the greatest impact on grant recipients have already been raised. This information should be used to fashion a grant program that extends current successes and avoids past errors. I believe a program that provides timely, consistent resources, includes provisions for creative match scenarios and provides performance based incentives would be welcomed by the emergency management community.

Several commentors have suggested that consolidation of the individual grant funds could result in a net reduction of the funds provided to the states. I am confident that this issue will be thoroughly researched by your study group to discover any statutory restrictions or limitations that affect the grant funds. Without a definitive objective response to this concern, it will be very difficult for states to recommend anything other than the status quo.

Since Congress' passage of the Emergency Planning and Community Right-To-Know Act without direct federal funding, states, Local Emergency Planning Committees, and federal agencies have devised many creative methods to finance program implementation. This history of creativity and the knowledge the federal government has gained in its recent experience with the National Performance Review and Performance Partnership Agreements should provide an excellent base for the work group's difficult mission.

Again, thank you for the NRT's willingness to examine this critical issue. If you have any questions or need additional information, please do not hesitate to call me at (904) 413-9969.

Sincerely,

Joseph F. Myers, Director
Division of Emergency Management and
Alternate Chairman, State Emergency Response Commission