

**Testimony to the House of Representatives Committee on Rules' Subcommittee on Legislative and Budget Process for the Hearing: Using Budget Principles to Prepare for Future Pandemics and Other Disasters**

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Thank you for the opportunity to testify before the Subcommittee today. In my role leading the National Center for Disaster Preparedness at Columbia University's Climate School, as well as through other positions, I have dedicated my career to fostering the impact of disaster research in the fields of policy and practice. As everyone is well aware, the challenges we face from disasters are increasing in both severity and frequency. This is driven in part by human-caused climate change, as well as aging infrastructure, and a world that is growing smaller and more connected, virtually and physically. We are now entering an era in which disasters are the norm, and overlapping disasters such as hurricanes and wildfires during a pandemic are transpiring.

As we struggle with this evolving reality, our disaster readiness and response systems are working incredibly hard to meet this challenge, and the work of agency personnel, legislators, non-profits, academics and the private sector to this end should be lauded. But we find ourselves in a changing world, being pulled in different directions by different incentive structures, and seem to be chronically behind the accelerating curve of disaster impacts and their long tails of recovery.

We have forward-looking actions across government, such as FEMA's Strategic Plan. In its latest iteration it focuses on issues of climate change and equity among others. The prior iteration also included critical focuses like creating a culture of preparedness and simplifying bureaucracy as important nodes to basic challenges in disaster management. Expansion of pre-disaster mitigation funding such as through the Building Resilient Infrastructure and Communities program, and new funding for infrastructure resilience embedded in the bi-partisan Infrastructure Investment and Jobs Act are also steps in the right direction.

At the same time, we see widening inequalities in who has access to recovery resources, and disparities in vulnerability that are too often predictable by socioeconomic status, race and ethnicity. We have a cacophony of roughly 90 assistance programs that can come from as many as 20 different agencies, with different triggers and rules. And that is just the federal programs. We also find ourselves pulled by incentives to focus on the most immediate assistance to the most visible, when in fact the investments in preparedness and mitigation are dramatically more impactful in diminishing the need for response and recovery funds.

Preparedness funding has ebbed and flowed over the years, peaking a few years after 9/11 and gradually decreasing with health security grant programs decreasing by a third to as much as half from their peaks, with similar reductions across all-hazards emergency management grant programs. The Bipartisan Commission on Biodefense (formerly the Blue Ribbon Study Panel on Biodefense) indicated the need for a more coordinated biodefense budgeting process, to avoid the fits and starts of our bio-security funding.<sup>1</sup>

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<sup>1</sup> <https://biodefensecommission.org/reports/budget-reform-for-biodefense/>

At the same time, response spending has increased through the use of emergency supplemental expenditures, and later discretionary spending.

In researching the use of emergency spending for disaster response I have been working with two colleagues, Dr. Ellen Carlin, an Assistant Research Professor at the Center for Global Health Science and Security at Georgetown University and Ryan Rimmel, an undergraduate researcher based in the same center. In the decade after 9/11, we found that the Congress gradually increased funding for emergencies and disasters, but relied largely on irregular supplemental appropriations bills hastily passed in the immediate aftermath of a crisis, with much of the enacted funding only tangentially related to disasters/emergencies they were meant to address. The framework changed with the Budget Control Act in 2011, which led to the emergence of a more focused and proactive funding model from 2012-2020, and a lessened reliance on reactive supplemental appropriations. During this era, though, there were multiple years where the limited disaster relief spending enabled as part of the annual appropriations process under the Budget Control Act simply wasn't enough to meet the need. Examples include 2013 with Hurricane Sandy, and FY 2018 had the California wildfires following a difficult hurricane season (Harvey, Irma and Maria). Thus, in 2013 and 2018, and to a lesser extent 2017 and 2019, Congress returned to its old approach, passing reactive supplemental appropriations bills funding "emergency requirements" to respond to these unforeseen disasters. And of course COVID-19 spending breaks the charts (see supplemental material for charts and methodology from this research). The question is whether these are exceptions to an otherwise stable need, and the current approach is working. Or if they are indicative of future events, and these are harbingers of more stressors to come. The answer is unequivocally the latter.

Those that say we could not have seen COVID-19 coming, are simply wrong. The severity, the disruptions, the politicization of the response, the inequities, and the pandemics persistence were all predicted in various reports, studies and historical records of prior pandemics. The shortage of ventilators, personal protective equipment and healthcare system capacity were the subject of numerous reports, including from the federal government, including congressional and oversight agencies after the first SARS outbreak in 2003, the emergence of a highly pathogenic avian influenza with pandemic potential in Asia in 2005, and after the emergence of a novel strain of influenza H1N1 in 2009. We didn't want to spend the money on what was needed, so we are dealing with the consequences now. And our response is a lot more expensive and a lot less effective as a result. There were some investments made of course. And there has been benefit from those investments, but it is pennies on the dollar for what was called for, and what will undoubtedly come to be articulated in great detail in many reports and analyses to come.

As the impacts of climate change continue to grow, and more and more people are understanding it through the lens of disasters, we are again confronted with the ghosts of warnings ignored. These disasters will grow in intensity and frequency. They will cost more lives and livelihoods, and they will create new pressures on our economies, infrastructure and even our national security as parts of the world become increasingly unlivable in the coming generations. While quibbling over precise estimates of when, where and exactly how much climate change is to blame, we are missing the greater truth that in broad strokes disasters will unequivocally be more frequent, affecting more places, and with greater intensity.

Amidst all of this, we are overly dependent on a shadow budget for disaster response and relief that no one is planning. This budget is an ad hoc and non-strategic multi-billion, and with COVID-19, a multi-trillion dollar reaction to disasters. It aligns with the electoral incentives to provide relief funding as fast and as

plentiful as possible, and it also supports the immediate needs that can't go unmet. But it fails to create lasting and strategic investments that can drastically reduce the cost to taxpayers, as well as the impacts to lives and livelihoods. And while it shows some leveling off in recent years, the spike in spending from COVID-19 and other disasters shows that any lull is temporary, and we need a better way ahead.

Resolving these issues will require rules that help to offset the incentives that steer us away from resilience, and satisfy our immediate and base concerns while leaving wide open the vulnerabilities for the next disaster. With that in mind, I submit to you the following areas of action:

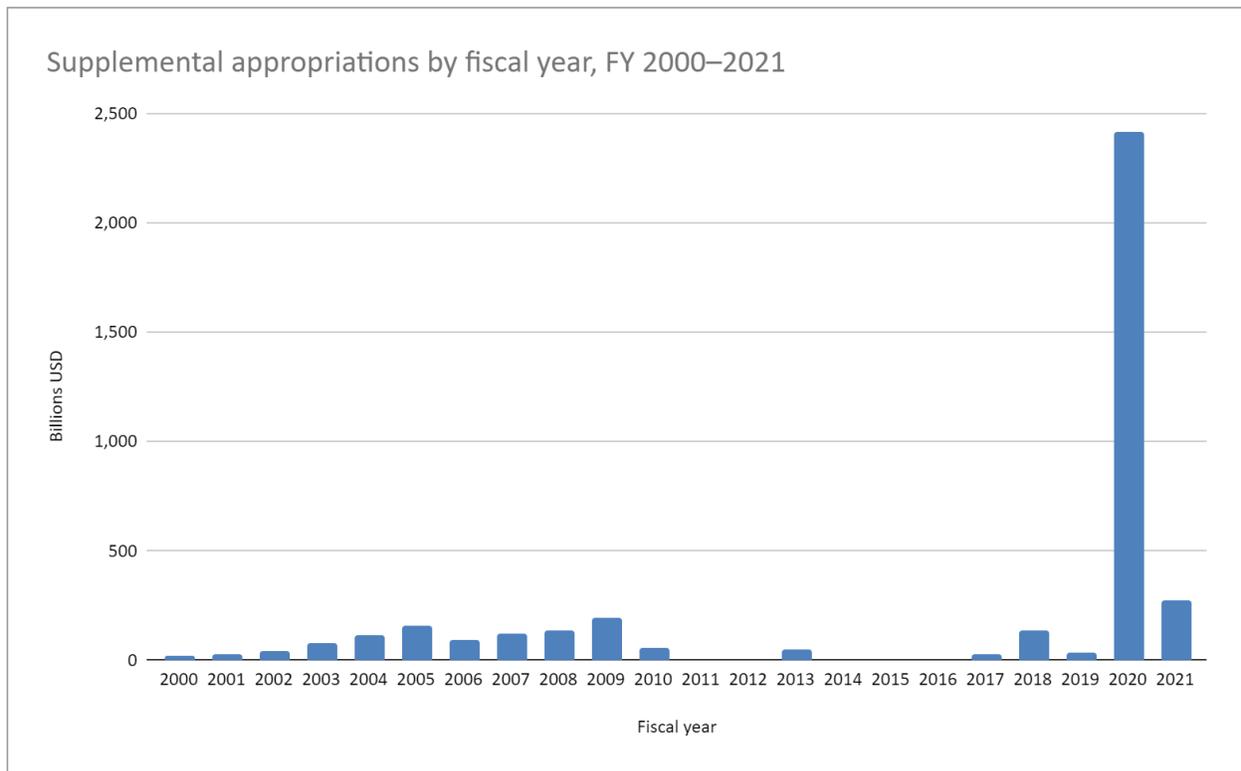
- First and foremost, we need better data on the vast mosaic of disaster spending. What is the relationship between preparedness and response spending? What is the right balance? In my field, we often lament the enormous costs of disasters compared to the value of preparedness spending, knowing that preparedness saves money and ultimately lives. But there will always be a need for response and recovery spending. It may very well be that we will always need to spend more on response, because it costs more. We don't know what the right balance is, in part because we don't know what is being spent on either. A commission of reports from the Congressional Research Service, or other government oversight and analysis organization will go a long way to methodically tracking disaster spending at all phases, and bringing together the disparate data sets to help frame and understand the problem in a more cohesive and data driven way. This should further inform a larger process for considering a re-look at our whole of government response.
- The electoral incentives for immediate spending is a powerful force, that is not going to be resolved through a rules process. However, rules can be designed to counterbalance these incentives. We have seen how structural changes like the Budget Control Act helped to create some space for proactive, rather than reactive, disaster spending. Further, creating mechanism for scoring proposed legislation for resilience and equity benefits can help to create greater transparency of the value being proposed.
- In an era of threats and vulnerabilities that are increasing in complexity we need to simplify the process. 90 programs across 20 agencies is simply too many. A friend and colleague once described the recovery process as the a "Jenga of federal assistance" that is layered on the recovering community. The administrative burdens of applying, receiving, tracking, reporting and de-conflicting with other programs leads administrative processes to drive response rather than need. I have seen this first hand in many disaster settings, where survivors are waiting weeks and then months for assistance for bureaucratic reasons. Such delays have an enormous negative impact on residents' financial well-being and health. In areas where there is no functional equivalent to the disaster relief fund, such as in public health response, money is often pushed through preparedness vehicles, with competing demands on state and local governments to reconcile preparedness with response aims under grant structures that were not designed for response.
- Finally, we need to look at our human resources in disaster resilience. My first full time job in this field was in the early days of post-9/11 health and homeland security funding, and I recall my boss lamenting the pressure to spend money on stuff. "Preparedness is people", he would say. Today, our people are exhausted. Even before COVID-19, but especially now. The world is changing, and our disaster staff, no matter how you define them, are working tirelessly. But as agencies and organisations need to evolve to meet the challenge of 21<sup>st</sup> century disasters, so too must the people who define, design and execute these efforts. Investment in agency organizational development, employee growth and development, and mentoring for the next generation often falls into overhead budget categories, and is thus frowned upon. Any investment in structures must also include

investment in the people who are to carry that forward, and to make sure that their hard work and dedication has the wind of the federal government at their backs.

Thank you again for the opportunity to share these thoughts. I hope that they are useful to your deliberations and I look forward to any questions you may have along with any follow-on discussions.

## Supplemental Materials

**Figure 1: Supplemental appropriations by fiscal year, FY 2000–2021.** We obtained data from CBO<sup>2</sup> for all supplemental appropriations enacted from FY 2000 through October 5, 2018—that is, appropriations passed outside of the annual appropriations cycle. Using this data, we summed the enacted budget authority for supplemental appropriations by year. To then gather data for FY 2018–2021, we reviewed all appropriations bills listed in the CRS Appropriations Status Table<sup>3</sup> that became law. For each supplemental appropriations bill, we quantified the bill's enacted budget authority using the CBO's most recent published cost estimate. For all other bills (i.e. continuing resolutions, annual appropriations bills, and omnibuses), we reviewed the final bill text from Congress.gov and summed all supplemental provisions (i.e. provisions containing the clause "for an additional amount"). We excluded provisions funding Overseas Contingency Operations in annual appropriations bills, to maintain consistency with CBO's methodology for tracking supplemental appropriations from FY 2000–2018.

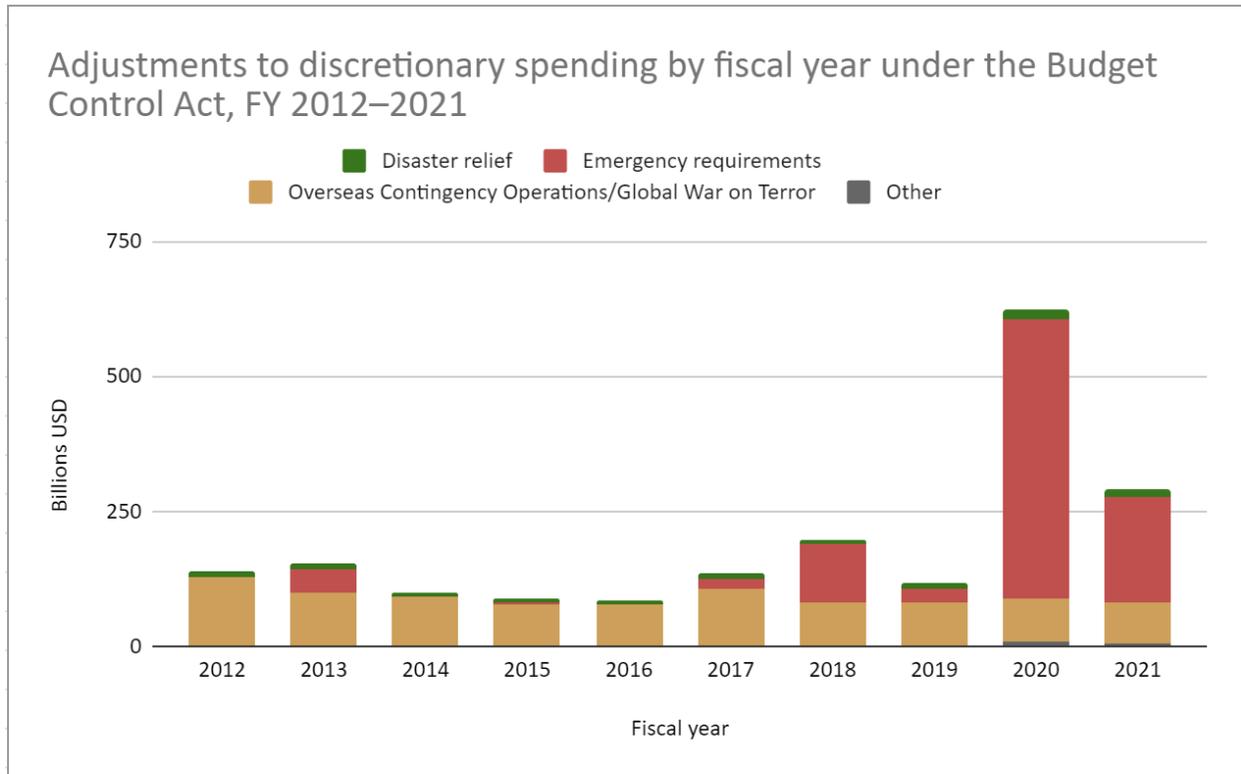


**Figure 2: Adjustments to discretionary spending by fiscal year under the Budget Control Act, FY 2012–2021.** The Budget Control Act of 2011 (BCA; P.L. 112-25) instated annual limits on discretionary spending for FY 2012–2021. Using "budget adjustments" relating to major disasters, emergencies, war, and limited other purposes, however, Congress was permitted to enact discretionary spending in excess of the BCA's

<sup>2</sup> <https://web.archive.org/web/20181209004116/https://www.cbo.gov/system/files?file=2018-10/Supplementalappropriations-2018-10-5.pdf>

<sup>3</sup> <https://crsreports.congress.gov/AppropriationsStatusTable>

annual limits. We obtained data from OMB<sup>4</sup> on the total enacted adjustments under each BCA adjustment category for FY 2012–2021 and present the sums here. While the "disaster relief" adjustments are subject to statutory limitations and must be used to pay for the costs of declared major disasters, adjustments for "emergency requirements" or "Overseas Contingency Operations" are not subject to statutory limitations and can be used in unlimited amounts and for purposes unrelated to disasters.



<sup>4</sup> [https://www.whitehouse.gov/wp-content/uploads/2021/01/sequestration\\_final\\_January\\_2021\\_speaker.pdf](https://www.whitehouse.gov/wp-content/uploads/2021/01/sequestration_final_January_2021_speaker.pdf)