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Joint Committee on Finance

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State Emergency Operations Center (Military Affairs)

[LFB 2017-19 Budget Summary: Page 301, #5]

CURRENT LAW

The Department of Military Affairs' Division of Emergency Management, generally referred to as Wisconsin Emergency Management (WEM), is charged with the responsibility of preparing the state and its subdivisions to cope with emergencies resulting from a disaster, or the imminent threat of a disaster. Under current practice, DMA operates a state emergency operations center (SEOC) in order to facilitate the coordination of various state and local agencies and volunteer organizations when an emergency occurs. The SEOC is located in Madison. Depending on the gravity of the emergency, the SEOC may be activated, at which time various WEM staff and representatives from pertinent agencies coordinate a response in the SEOC. Currently, WEM costs related to activations of the SEOC are supported by DMA's emergency management services general program operations GPR appropriation. Base funding for this appropriation is \$1,065,100.

Under s. 323.10 of the statutes, the Governor may issue an executive order declaring a state of emergency for the state or any portion of the state if the Governor determines that an emergency resulting from a disaster or imminent threat of a disaster exists. A state of emergency must not exceed 60 days, unless the state of emergency is extended by joint resolution of the Legislature. The executive order declaring the state of emergency may be revoked at the discretion of either the Governor by executive order or the Legislature by joint resolution.

GOVERNOR

Create statutory language authorizing the Adjutant General (the head of DMA) to operate an SEOC during a state of emergency declared by the Governor. Require the Adjutant General to notify the Joint Committee on Finance in writing of the specific costs incurred as a result of an

activation of the SEOC for more than 36 hours. Require the Adjutant General to include in that notification information concerning the following: (a) all costs incurred for equipment and supplies obtained to assist local units of government and local law enforcement in responding to a disaster; (b) overtime costs for WEM personnel; and (c) meals for personnel staffing the SEOC. Provide that the requested costs must be paid from a new appropriation created under DMA for the SEOC if the Co-chairs of the Joint Committee on Finance (JFC) fail to notify the Adjutant General within 14 working days after the date of the Adjutant General's notification that the Committee has scheduled a meeting to review the Adjutant General's request (a 14-day passive review process). If, within 14 working days after the date of the Adjutant General's notification, the Co-chairs of the Committee notify the Adjutant General that the Committee has scheduled a meeting to review the request, the requested costs may be paid only as approved by the Committee.

Create an annual SEG appropriation within DMA's emergency management services program to support the operation of the SEOC. Under the bill, no funding is appropriated to the appropriation during the 2017-19 biennium. The SEG fund utilized to support the new appropriation is the petroleum inspection fund.

DISCUSSION POINTS

Background -- State Emergency Operations Center

1. The state emergency operations center facilitates the coordination of various state and local agencies and volunteer organizations when an emergency occurs. A WEM duty officer is on call 24 hours a day to receive calls from counties and local jurisdictions relating to emergency situations. A member of WEM management is also on call as the senior duty officer to provide management direction to the duty officer when necessary. The WEM duty officer and senior duty officer continuously monitor events around the state through frequent contacts with the National Weather Service, state Department of Transportation (DOT), and county emergency management offices. This 24/7 duty officer system is the lowest level of activity of the SEOC, and it is done in response to a Level Five event (for the purpose of emergency preparedness, the SEOC is always responding to a "Level Five event").

2. The status of the SEOC is updated to respond to severe weather and other emergency situations. The Department categorizes event levels from one through five, with five being the lowest level of emergency and one being the highest level of emergency. These five event levels are summarized in Table 1.

TABLE 1

Event Levels for State Emergency Operations Center

<u>Event Level</u>	<u>SEOC Status</u>	<u>SEOC Operations</u>
Five	Duty officer system	A WEM duty officer and senior duty officer are on call 24 hours a day to monitor events around the state and receive calls from counties and local jurisdictions relating to emergency situations.
Four	Virtual SEOC operations	In the case of a small-scale incident, such as severe weather that involves limited geographic areas or limited resource requests, the WEM duty officer will create a Wisconsin E-spender site for the incident and notify WEM staff. Staff monitor and contribute to the E-spender site from remote locations. Staff also maintain communication with affected jurisdictions and coordinate resource requests.
Three	Minimal SEOC activation	A minimal activation of the SEOC is intended to actively monitor severe weather conditions in the state. Minimal WEM staff report to the SEOC to be able to more effectively monitor weather conditions. At this level of event, local units of government are not asking for state assistance or resources. Staff sufficient for a Level Two activation are placed on stand-by along with appropriate regional directors. The state patrol and DOT may be asked to send a representative to the SEOC for winter storms and blizzard warnings. Other state agencies and voluntary agencies are notified of the activation of the SEOC.
Two	Partial SEOC activation	A partial activation occurs if severe weather causes damages to a community resulting in injuries, death, and evacuation, and the local community has a need for state assistance. A partial activation may also occur for other events where it is necessary to provide coordinated state agency support to local officials. During a partial activation, DMA, the Department of Health Service (DHS), the Department of Natural Resources (DNR), DOT, the State Patrol, and voluntary organizations have representatives in the SEOC. Other state agencies are put on stand-by.
One	Full SEOC activation	Depending on the gravity of the emergency, the SEOC may be fully activated. A full activation of the SEOC results in DMA, DHS, DNR, DOT, the State Patrol, DATCP, and the Department of Corrections all having representatives in the SEOC. Other state agencies and volunteer organizations will be requested to send representatives depending on the nature of the event and the need for additional support to local jurisdictions.

3. An activation of the SEOC occurs in response to a Level One, Two, or Three event. The senior duty officer has the authority to activate the SEOC to Level Three taking into account a series of factors, including: the size of the incident; the number of counties affected; the potential impact to the interstate highway system; the gravity of weather conditions; the ability of WEM staff to rapidly report to the SEOC; and any other relevant factors. In determining the level of an event, other factors are also considered such as the need for a large evacuation, significant disruption to community activities, public safety, potential or actual impacts on critical facilities, resource requests from local jurisdictions, and the need for involvement of multiple state agencies.

4. Table 2 identifies the number of times the SEOC has been activated (Level Three

event or above) from calendar year 2012 through 2016. Table 2 also identifies the number of times these activations have lasted for longer than 36 hours. These activations have predominantly been in response to severe weather conditions, such as a winter storm or flooding.

TABLE 2

Number of SEOC Activations (Level Three or Above), 2012 through 2016

<u>Calendar Year</u>	<u>Total Activations Level Three or Above</u>	<u>Activations Over 36 Hours</u>
2012	2	1
2013	2	1
2014	2	2
2015	0	0
2016	2	2

5. Table 2 identifies that the SEOC has been activated for more than 36 hours between zero and two times annually from 2012 through 2016. According to DMA, an activation of the SEOC may result in increased costs to DMA associated with obtaining equipment and supplies to assist local units of government and local law enforcement respond to a disaster, overtime for WEM personnel, and meals for personnel staffing the SEOC. The Department indicates that in the case of an emergency where the SEOC is activated for more than 36 hours, the SEOC is often activated for three to five days (although this may vary depending on the emergency). The costs associated with an activation of the SEOC are estimated to total approximately \$2,800 per day, causing a three to five day activation to result in costs totaling approximately \$8,400 to \$14,000.

Governor's Recommendation

6. In order to assist DMA with the costs of an activation of the SEOC, the bill creates an annual SEG appropriation for the operation of the SEOC when a state of emergency is declared by the Governor. No funding is appropriated under the bill to the SEG appropriation. Rather, the bill requires the Adjutant General to notify the Joint Committee on Finance in writing of the specific costs incurred as a result of an activation of the SEOC for more than 36 hours through a 14-day passive review process. Under the bill, if the Co-chairs of the Committee fail to notify the Adjutant General within 14 working days after the date of the Adjutant General's notification that the Committee has scheduled a meeting to review the Adjutant General's request, then the requested costs must be paid from the SEG appropriation created under the bill. Further, if within 14 working days after the Adjutant General's notification, the Co-chairs notify the Adjutant General that the Committee has scheduled a meeting to review the request, the requested costs may be paid from the SEG appropriation only as approved by the Committee. The SEG appropriation created under the bill would be supported by the petroleum inspection fund.

7. The Department currently supports costs related to an activation of the SEOC with WEM's general program operations annual GPR appropriation. Base funding for this appropriation

is \$1,065,100. According to DMA, in order to support SEOC activation costs, the Department has had to postpone purchases and hold position vacancies open, which has limited resources for other WEM priorities and needs. In recognition of these issues, the Committee could approve the Governor's recommendation [Alternative 1].

8. The bill contains a technical issue with regards to the passive review process proposed by the Governor. The bill creates an annual SEG appropriation to support the costs related to an SEOC activation for more than 36 hours. No funding is appropriated during the 2017-19 biennium. As an annual appropriation, DMA would not be authorized to make expenditures from the appropriation beyond the amounts identified in the schedule of appropriations under Chapter 20 of the statutes. It is the intent of the bill for DMA to be able to utilize the SEG appropriation to support the costs of activating the SEOC for more than 36 hours, if a request for additional funding is approved by the Finance Committee through a passive review process. However, the bill does not include statutory language that would authorize the Secretary of the Department of Administration (DOA) to supplement the amounts in the appropriation schedule if DMA's passive review request is approved by the Committee. If the amounts in the appropriation schedule are not increased, DMA would not be authorized to make expenditures from the SEG appropriation, since the amount appropriated would remain at zero dollars. Therefore, if the Committee wishes to approve the Governor's recommendation to create the passive review process, it may wish to add statutory language that would authorize the Secretary of DOA to supplement the amounts in the appropriation schedule by the amount approved by the Committee [Alternative 2]. [Note that similar statutory language exists for the passive review process for program revenue appropriations under s. 16.505 of the statutes.]

9. Alternatively, one could question the funding mechanism established under the bill for activations of the SEOC. The passive review supplementation process is generally reserved for program revenue supported appropriations. In contrast, agencies requesting the Committee to supplement a SEG appropriation must typically come before the Committee under s. 13.10 of the statutes.

10. Further, any funding awarded to DMA through such a passive review process would be awarded after the Department has already incurred the costs associated with an activation of the SEOC for over 36 hours. Therefore, DMA would have to initially pay for these costs with WEM's general program operations GPR appropriation. If the Committee approves DMA's passive review request, the expenditures could be transferred to the SEG appropriation after approval. However, the initial utilization of the GPR appropriation to support the costs of an SEOC appropriation could continue to have a detrimental effect on DMA's ability to effectively manage its resources.

11. Despite these potential concerns with the bill, the Committee may still wish to provide DMA additional resources to support an activation of the SEOC for more than 36 hours. If this is the case, the Committee could consider eliminating the passive review process created under the bill, and instead appropriate resources as follows:

- *Appropriate SEG funding.* Retain the annual SEG appropriation under the bill to support the operations of the SEOC in the event of a state of emergency declared by the Governor. In addition, require that the appropriation may only be utilized to support an activation of the SEOC

that lasts for more than 36 hours. Finally, appropriate \$16,800 SEG annually to reflect the approximate cost of two activations lasting for three days, at a cost of \$2,800 per day [Alternative 3]. Under this alternative, the passive review process created under the bill would be eliminated. Further, any amounts unspent from the SEG appropriation would revert to the petroleum inspection fund at the end of the fiscal year. Under this alternative, amounts under the bill would increase by \$16,800 SEG annually.

- *Appropriate GPR funding.* Delete the SEG appropriation created under the bill. Instead, create an annual GPR appropriation to support the operations of the SEOC for an activation that lasts more than 36 hours during state of emergency declared by the Governor. Further, appropriate \$16,800 GPR annually [Alternative 4]. Under this alternative, the passive review process created under the bill would be eliminated. Further, any amounts unspent from the GPR appropriation would revert to the general fund at the end of the fiscal year. Under this alternative, amounts under the bill would increase by \$16,800 GPR annually.

12. On the other hand, DMA is currently supporting the operations of the SEOC, as well as other WEM operations, through the utilization of existing resources. Therefore, the Committee could determine that DMA does not need additional resources, or a process through which DMA could request additional funds under passive review, at this time [Alternative 5]. Under this alternative, DMA could continue to utilize WEM's general program operations GPR appropriation to support costs related to the activation of the SEOC. If the Department determines that it requires additional funding to perform its duties, DMA could request additional funding under s. 13.10 of the statutes.

13. With regards to the petroleum inspection fund (PIF), the fund primarily provides support for Department of Natural Resources payments under the petroleum environmental cleanup fund award (PECFA) program, administration of the program, and repayment of revenue obligations that were issued to pay the 1990s PECFA claim backlog. It also funds appropriations in the Departments of Agriculture, Trade and Consumer Protection, Administration, Military Affairs, Revenue, and Transportation. Revenue for the fund is generated from the 2¢ per gallon petroleum inspection fee.

14. Under current law, the petroleum inspection fund supports two appropriations within DMA that fund grants to local emergency planning committees as well as state disaster assistance payments. Notwithstanding these current law appropriations, the utilization of the petroleum inspection fund to support the operations of the SEOC could be considered a nontraditional use of PIF.

ALTERNATIVES

1. Include the Governor's recommendation to create an annual SEG appropriation to support the operation of the SEOC during a state of emergency declared by the Governor. Appropriate no funding during the 2017-19. In addition, establish a passive review process through which the Adjutant General may request that specific costs associated with an SEOC activation lasting for more than 36 hours be paid by the SEG appropriation.

2. In order to correct a technical issue with the language proposed by the Governor, add statutory language that would authorize the Secretary of the Department of Administration to supplement the annual SEG appropriation created under the bill by an amount approved by the Committee, if the Committee approves DMA's passive review request. *This alternative may be chosen in addition to Alternative 1.*

3. Modify the Governor's proposal by deleting the passive review process created for DMA. Further, require that the SEG appropriation created under the bill may only be utilized to support an activation of the SEOC that lasts for more than 36 hours during a state of emergency declared by the Governor. In addition, appropriate \$16,800 SEG annually from the petroleum inspection fund.

ALT 3	Change to	
	Base	Bill
SEG	\$33,600	\$33,600

4. Modify the Governor's proposal by deleting the passive review process created for DMA as well as the SEG appropriation created under the bill. Instead, create an annual GPR appropriation in DMA to support the operations of the SEOC during an activation that lasts for more than 36 hours during a state of emergency declared by the Governor. In addition, appropriate \$16,800 GPR annually.

ALT 4	Change to	
	Base	Bill
GPR	\$33,600	\$33,600

5. Maintain current law.

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