

**Maryland Military Department
Testimony**

Fiscal Year 2019 Operating Budget

**Presented to
Senate Health and Human Services (HHS) Subcommittee
February 12, 2018**

**House Public Safety and Administration (PSA) Subcommittee
February 8, 2018**

Introduction:

The Maryland Military Department appreciates this opportunity to update the committee on the activities of the Department and to respond to the issues raised and recommendations contained in the operating budget analysis prepared by the Department of Legislative Services (DLS).

This document contains the following information:

1. Highlights of the Maryland Military Department's key accomplishments of the past year.
2. A discussion of the key issues affecting the Department, as discussed in the analysis prepared by the Department of Legislative Services (DLS).
3. The Department's response to the recommendations of the Department of Legislative Services

Key Accomplishments:

I am pleased to submit to the budget committees our key accomplishments in fiscal year 2017 for the Maryland Military Department. This summary incorporates the accomplishments of the Maryland Army National Guard, the Maryland Air National Guard, the Maryland Emergency Management Agency (MEMA) and the Maryland Defense Force (MDDF).

The Maryland National Guard continued to support many overseas contingency operations. Our personnel have served in operations in Kuwait, Afghanistan, Iraq, Korea, Horn of Africa, Estonia, and Bosnia and Herzegovina.

Additionally, personnel from all the pillars of our department supported the presidential inauguration in 2017. MEMA managed the state's response to the devastating hurricane season which impacted so many people this year. We supported eight separate emergency management assistance compact requests from other states for support during their time of need.

The Department remains a solid contributor to the economic strength of Maryland as our fiscal impact totaled \$347.2 million. The Department's ratio of federal dollars spent for each state dollar invested is nearly 28 to 1. We continue to provide employment and education opportunities to Marylanders while providing our citizens an opportunity to serve our state and our nation.

The Maryland Military Department remains a “relevant and ready” force prepared to serve the needs of our citizens. Thank you for your support, as we continue a new chapter in our long and distinguished history.

Major Trend:

National Guard Facilities Show Improvement but Continue to Fail in Reaching Maintenance Goals:

The Military Department should discuss how it has achieved the improvements made in the past two years, what has impeded the ability to meet projected improvements, and the plan and timeline for further increasing the percent of full functioning Army National Guard facilities. MDNG should also comment on and establish a reasonable objective to better define its plan for achieving the goal of having all facilities support MDNG needs. Finally, the department should address the extent to which the projects in its immediate capital plan will impact this performance measure. (DLS Analysis pages 3, 7 & 8).

Agency Response:

The Military Department’s (DMIL) Army Operations and Maintenance Program is responsible for operating and maintaining thirty-one (31) Readiness Centers throughout the State of Maryland. In addition, the organization’s facilities portfolio consists of three (3) Army Aviation Facilities, one (1) Airbase, four (4) training sites, and a geographically dispersed grouping of over ten (10) maintenance facilities providing repair services to military vehicles, ground equipment, and aircraft. The diverse facilities portfolio consists of 238 buildings with an average age of nearly fifty (50) years situated on 4,012 acres of land. The program’s Managing for Results (MFR) goal is to maintain 95 % or more of the facilities in a fully functional status in compliance with National Guard Bureau (NGB) requirements. Although improvements are noted and implemented mitigation strategies will be addressed in the forthcoming narrative, the fully functional status standard has not been achieved due to multiple contributing factors. The most notable contributing factor is the age of the building inventory. Compounding the challenge in attaining the MFR goal is the excessive number of building systems that have exceeded their asset life cycle. Moreover, the fully functional status standard adheres to strict federal Installations Status Report (ISR) criteria. Finally, as with any State of Maryland agency, the organization executes the maintenance and operations mission with resource constrained maintenance staffing levels and limited funding resources to outsource maintenance repairs through the procurement and contracting process.

The Military Department implemented a comprehensive change in facilities portfolio management in 2011 with publication and implementation of the 2011-2036 Facilities’ Capital Investment Strategy. The comprehensive strategy communicated the organization’s conceptual transition from a wide-ranging county based armory focus to a leaner, more agile, and more capable readiness center inventory. While retaining our mission focus to support the Governor and citizens of Maryland; evolving facilities standards, emerging technologies, increasing stakeholders’ expectations, and preeminent financial stewardship necessitated a holistic shift in the organization’s strategic facilities portfolio management approach.

The strategic facilities portfolio management approach seeks to balance new military construction projects with current facilities’ restoration projects, and sound preventative maintenance procedures to elevate the functional status of all existing facilities. Since 2011, the Military Department has divested of obsolete readiness centers (formerly called armories) in Leonardtown (2011), Chestertown (2012), Salisbury “swing space” (2012) Crisfield (2013), Prince Frederick (2013), Old Towson (2014), and Old La Plata (2017). Easton Readiness Center was demolished on site in 2017 and is currently being built as a newly constructed facility. The strategy is ongoing with the pending divestitures of Pikesville Military Reservation; a facility that is over 100 years old. In addition, Greenbelt and Cascade are in the clearinghouse and divestiture process. An announcement was made that Elkton Readiness Center will be divested upon completion of the Easton Readiness Center construction project. New construction projects, to include alterations and additions to existing facilities, are Salisbury Readiness Center, Westminster Readiness

Center, New La Plata Readiness Center, New Havre de Grace Readiness Center, Webster Field, and Dundalk Readiness Center. A new readiness center in Sykesville is in the design phase.

From FY 2015 to FY 2017, the percentage of functional facilities increased from 21% to 25%, far below the MFR goal of 95%. Obtaining the required state matching funds within the Department's operating and capital budgets is critical when leveraging federal funds to build new facilities, renovate existing facilities, and improve the overall percent of facilities in a fully functional status. The current Capital Improvement Plan (CIP) FY2019 - FY2023 has over \$44 million in state and federal capital funding which will improve our facility rating by replacing older facilities (Ellicott City, Catonsville, White Oak & Cade) with newer fully functional facilities at Havre de Grace, Freedom (Sykesville), Baltimore City, and White Oak.

Concurrent implementation of a comprehensive asset life-cycle management approach to not only manage the overall facilities portfolio of 238 buildings, but also manage each facilities' systems inventory. Such an asset management approach would systemically consider the life cycle of critical facilities infrastructure systems such as roofing, heating (boilers and other systems), HVAC, windows, doors, plumbing, utilities within the building, utilities external of the building, flooring and wall covers, security gate systems, lighting systems, and fire protection.

However, the Department's strategy is impacted by anticipation that the amount of federal funding available and the number of projects that will be approved annually will be limited due to the current fiscal climate. In fact, the federal military construction program projects one new military construction project per state at an increment of one every five years. In addition, the Department's recent approval of funding for capital projects within the CIP does not fully address the shortfalls the Department currently has for funding on-going repair and maintenance requirements at existing facilities. Furthermore, due to the difficult fiscal climate, recent cost containment actions have impacted the Department's ability to eliminate backlog maintenance projects. Therefore, the Department will continue to work with key state and federal stakeholders to obtain the necessary state and federal funds needed to address repair and maintenance backlogs and improve the % of facilities in a fully functional status. In addition, to better establish a reasonable MFR objective and define plans for achieving facility goals, the Department will review its MFR objectives, goals and measures and make necessary changes as part of the next MFR reporting cycle. The current initiative to take an in-depth quantitative approach to asset life cycle management will enable the Department to better manage systems replacement, articulate quantitative systems replacement requirements, and prioritize operations and maintenance practices for the facilities portfolio.

Key Issues and Discussion:

1. State Receives New Funding for Complex Coordinated Terrorist Attack (CCTA) Preparation:

DLS recommends the adoption of committee narrative requesting an update from MEMA on the findings of the CCTA risk assessment, including the degree to which Maryland is currently prepared for this type of attack, significant areas of vulnerability, and a plan for addressing the identified risk areas. (DLS Analysis pages 15 & 16).

Agency Response:

The Department concurs with the DLS recommendation to adopt committee language. MEMA anticipates that the CCTA risk assessment will be complete in fall 2018.

2. Establishing a Deductible for the Emergency Management Agency's Public Assistance Program:

MEMA should comment on the likelihood of FEMA converting to a PA deductible for states. DLS recommends the adoption of committee narrative requesting that the agency submit notification to the budget committees if further action is taken by FEMA to pursue this concept. (DLS Analysis page 16).

Agency Response:

The FEMA continues to assess a variety of approaches regarding the management of financial assistance for both disaster and non-disaster funds. While currently available information continues to point toward a disaster deductible, several competing and complimentary initiatives are being considered by FEMA. Most recently, at the annual gathering of state emergency management directors, FEMA leadership engaged in a conversation wherein states may be expected to manage the entirety of disaster-related programs for disasters that are under \$40M with no increase in pre-disaster or steady-state federal funding. This echoes an ongoing sentiment from the Trump administration that states rely too heavily on federal funds for core functions.

The Department concurs with the DLS recommendation to adopt committee narrative and will keep the budget committees apprised if any further action is taken by FEMA on this issue.

DLS RECOMMENDED ACTIONS:

1. **Delete funding for 5 new full-time equivalent duty officers at the Maryland Joint Operations Center; \$250,937 (DLS Analysis page 17):**

Agency Response:

The Department non-concurs with the DLS recommendation.

Declared disasters make up a small percentage of MEMA's operational activities. The risks that Maryland faces are constantly changing; having a dedicated cadre with a thorough understanding of plans procedures for the initial hours of hurricanes, nuclear accidents, and terrorist attacks will also enable them to apply those skills to emerging issues in real-time. This thorough and practical understanding of emergency operations will also enable the Statewide Duty Officer (SDO) to provide real-time decision-making support capabilities when incidents are reported, and has the authority to escalate incidents to the MEMA Executive Director and recommend enhancing statewide operations. The SDO serves as the State Emergency Coordinator with oversight of the State Emergency Operations Center (SEOC) until agency personnel mobilize adequate components of the MEMS.

The SDO provides an extra layer of monitoring during normal operations. The SDO also serves as the daily SEOC Commander when the SEOC is not activated. The SDO is the first escalation point when the MJOC or other stakeholders identify an active threat/hazard. By hiring skilled analytical personnel dedicated to these needs, we will strengthen our ability to:

- Collect and analyze information from a variety of sources in real-time, providing additional critical time to address incidents before they increase in size and scope;
- Monitor, collect, and evaluate open source information such as social media, network news, web sites, related to critical infrastructure, and official sources for all hazards;
- Actively seek additional information on unfolding threats or events from Federal, State, and Local agencies and local and national media reports;
- Maintain working relationships with interagency operations centers, Maryland Coordination and Analysis Center (MCAC), Maryland State Police (MSP) Barracks, State Highway Administration (SHA) Operations Center (SOC), FEMA Region III Watch Center, MIEMSS SYSCOM, and other dispatch and watch centers within and outside of Maryland;

- Increase our capability to support mutual aid needs both within the State of Maryland and in support of incidents in partner states, by coordinating the review and distribution of MEMAC/EMAC requests;

Dedicated Duty Officers will also perform a vital function in ensuring the readiness of the State Emergency Operations Center. These personnel will leverage their expertise to provide critical feedback to operational planners regarding existing plans and procedures. In addition, they will work with training and exercise personnel to develop drills in order to constantly test and evaluate our capabilities.

These positions are critical to effectively managing future risk in order to minimize the loss of life and property. Establishing these positions enables the state to take a proactive approach to addressing emerging threats and hazards, instead of waiting until after the next disaster.

2. **Delete the funding increase for the administrative grant to the Maryland State Firemen's Association. This reduction still provides the organization with \$200,000 for administrative operating expenses; \$200,000 GF (DLS Analysis page 17):**

Agency Response:

The Department non-concurs with the DLS recommendation.

See attached letter from Maryland State Firemen's Association.

3. **Adopt the following narrative:**

Update on Preparations for Complex Coordinated Terrorist Attacks: The budget committees request that MEMA provide an update on the findings of the CCTA risk assessment, including the degree to which Maryland is currently prepared for this type of attack, significant areas of vulnerability, and a plan for addressing the identified risk areas. The report should be submitted to the budget committees no later than December 30, 2018. (DLS Analysis page 17):

Agency Response:

The Department concurs with the DLS recommendation.

4. **Adopt the following narrative:**

Establishing a Deductible for the Federal Emergency Management Agency's Public Assistance Program: The budget committees request that MEMA provide an update on whether action has been taken at the federal level to establish a deductible for the federal public assistance program. If such action has been taken, the report should provide details on the proposed changes to the program, an estimated timeline for implementation, and the potential fiscal impact to the State. (DLS Analysis page 18):

Agency Response:

The Department concurs with the DLS recommendation and will keep the budget committees apprised if any further action is taken by FEMA on this issue.

MARYLAND STATE FIREMEN'S ASSOCIATION

Representing the Volunteer Fire, Rescue and Emergency Medical Services Personnel



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February 4, 2018

Major General Linda L. Singh, Adjutant General
Office of Adjutant General
Military Department Fifth Regiment Armory
219 29th Division St.
Baltimore, MD 21201 - 2288

Dear General Singh,

In 1893, a group of volunteer firefighters recognized the need to form the Maryland State Firemen's Association, (MSFA) an organization that would support the efforts of the volunteer fire service community and provide continuity and information sharing among the various individual volunteer departments. Today, the MSFA carries out that same mission to the 358 volunteer departments across the State of Maryland. Of course, though, a lot has changed over that period of time.

Since its creation, the MSFA has managed the business affairs of the organization utilizing volunteer firefighters who served in administrative capacities for the MSFA while still serving their communities on the local level along with their regular employment and family obligations. A great concept in the early days, but as the needs of the volunteer fire and rescue service increased and the demands for these volunteer administrators to maintain adequate housing and support for their families intensified, the use of salaried staff became more apparent. Adding to this, the necessity for the MSFA to maintain solid working relationships with governmental entities, other fire service organizations and the public, the idea of an all-volunteer staff has come to an end.

For the past two years, the MSFA Executive Committee has been working with other fire association officials from around the United States to determine what is best needed to maintain the future existence of the MSFA and to develop a strategic plan that identifies our future sustainability and actions to address. Out of that intense self-examination process came the reality that a paid Executive Director is the best course of action for the Association. Simply put, the MSFA has come to the realization that the organization must be run with a business-like mentality and there needs to be one point of contact for continuity of governance, information flow and, most of all, command and control of the many operational facets the MSFA is charged with handling.

Over the years, the MSFA has been asked by its membership, local and state government officials and even the national fire service community to do more in support of the individual volunteer fire companies in Maryland. These requests involve a variety of topics to include: operational training needs, insurance and support programs, required certification levels, emergency medical service delivery, fire prevention and community risk reduction activities, volunteer recruitment and retention programs, apparatus and equipment standards, motor vehicle regulations/operations, hazardous materials response and overall legislative concerns, just to mention a few. Our world has changed immensely since 1893 and for the MSFA to survive as a viable entity, it must change its approach and procedures as well. That is why this support is needed to bring on an Executive Director. (Funding Request \$100,000.00)

Not only is the MSFA facing increased administrative and managerial workloads, but so are the individual volunteer fire departments across the state and the nation. The MSFA has been, over the years, building the support systems it provides Maryland's volunteers to keep the volunteer fire and rescue service focused on operations, which provides a great cost savings to the local communities they serve by letting the MSFA deal more with the administrative and legislative components that draw valuable time and resources from the individual companies. This support is provided to the individual volunteer fire departments through the MSFA via an appropriation from the State of Maryland outlined in Public Safety 8-205. Annual Appropriation.

This subsection identified the following to be performed by the MSFA in support of the 358 volunteer fire departments across the state:

- (1) formulate, publish, and distribute the fire laws of Maryland and other state and federal standards, laws, guidelines, and recommendations;
- (2) formulate, publish, and distribute an annual report and monthly or other timely bulletins and reports;
- (3) purchase, publish, and distribute fire prevention, emergency services, and safety education materials and sponsor seminars and other public forums to disseminate this information to Association members and residents of the State;
- (4) maintain and distribute records that relate to the annual inspections of fire and rescue equipment and facilities;
- (5) establish and maintain a database on manpower availability and training, operational cost, equipment availability, response time, State and local financial support, and other relevant factors in providing fire and rescue services;
- (6) maintain membership through fees, subscriptions, and meeting attendance in organizations that disseminate training and education and provide guidance to volunteer emergency service organizations and their members and represent their interests on a State and national level;

Major General Linda L. Singh, Adjutant General

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- (7) provide fuel, insurance, and maintenance to vehicles owned and operated by the Association and used in representing the volunteers and disseminating information throughout the State;
- (8) provide professional services including accounting, auditing, and legal consultation and operational costs associated with the objectives established in this subsection; and
- (9) promote, disseminate, and advocate programs and services that pertain to improving the safety, health, and wellbeing of fire and rescue personnel throughout the State.

As you can see, after reviewing this list of required actions, the State of Maryland Legislature and Governor were wise to identify this need early in the creation of this Public Safety Subtitle, as each of the functions identified assist the volunteer fire and rescue service as they support their individual communities. However, the cost of providing these functions has continued to increase. For example, the cost of printing the Maryland Fire Laws Book has increased by \$10,810.00 since 2006, the cost of providing the annual proceedings book statewide has increased by \$3,200.00 and moreover, the influences of the external environment have changed within the Public Safety Community with identified needs for more statewide collaboration, information and support to be provided by the MSFA. For instance, just a few current issues that need our attention: active shooter incidents, Homeland Security/terrorism response, Opioid Crisis, nationwide increase in residential fire deaths, carbon monoxide poisoning, first responder occupational cancers and suicide, increased state-imposed training requirements and the delivery of Emergency Medical Services.

The MSFA stands ready to meet the challenges that face the volunteer fire and rescue service here in the State of Maryland. Our leadership is committed to finding ways to work with our partners to address these many concerns that have been identified as needing to be addressed. We only ask for this modest support relative to the many other funding needs that the State of Maryland must focus on to ensure the viability, protection and effectiveness of our state volunteer fire and emergency medical services delivery system. (Funding Request \$100,000.00)

Wishing you the best and as always, we stand ready to serve.

Sincerely,

Mark A. Bilger

Mark A. Bilger

President