

House Committee on Transportation and Infrastructure

**Subcommittee on Economic Development, Public Buildings,
and Emergency Management**

hearing on

Legislative Fixes for Lingering Problems that Hinder Katrina Recovery

May 10, 2007

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Written Statement**

Madame Chairwoman and Subcommittee on Economic Development, Public Buildings, and Emergency Management members –

Thank you for providing me the opportunity to testify today.

I appreciate the Subcommittee's continued support for our recovery in the Gulf Coast. I remember almost immediately after Hurricane Rita made landfall in my district, then Chairman of the Subcommittee, Bill Shuster, came to my office to personally reach out to me and my staff to offer his support. Mr. Shuster and Subcommittee staff visited Cameron Parish, Louisiana last year to witness the devastation firsthand. The Subcommittee has been a strong advocate as we work together to recover in the Gulf Coast – and I am pleased that the tradition continues today with this hearing.

As has been the case through much of the past year and a half, I find myself again needing to remind my colleagues that there were two storms of similar magnitude that hit the Gulf Coast in 2005. Today's focus on problems that hinder Katrina recovery suggests that somehow the devastation and destruction brought on by Hurricane Rita a few weeks later was not nearly as "historic" or worthy of our continued focus and attention. In fact, Hurricane Rita left behind over \$10 billion in damage along the coast of Southwest Louisiana and Southeast Texas – making it the third costliest natural disaster in U.S. history.

It is a testament to the capabilities of local officials and Southwest Louisiana residents that there was only 1 death directly attributable to the storm. Unfortunately, however, because Katrina's destruction was so massive, Hurricane Rita is often referred to by my constituents as "The Forgotten Storm."

Hurricane Rita brought high winds in excess of 120 mph and a storm surge equivalent to that of a Category 5 storm. Before making landfall, the storm was measured as the most intense hurricane in the Gulf Coast, breaking the record set by Hurricane Katrina weeks earlier.

The storm surge - as great as 20 feet in some areas - caused buildings, homes, and infrastructure to be swept away or severely damaged. The flooding went miles inland and pushed thousands of tons of debris and potentially hazardous materials several miles into the marshes and land north of the coastline.

I applaud the Subcommittee's willingness to examine legislative fixes to address some of the pending problems we face in rebuilding. Unfortunately - 18 months after the storms - many impacted local governments, organizations, and individuals have simply chosen to move on and seek other alternatives to FEMA assistance because they were ultimately ruled ineligible or simply couldn't wait any longer for aid. In addition, much of the disaster assistance - billions of dollars worth - is now being held up by bureaucratic red tape at the state level, which Congress has little control over.

The Subcommittee, however, can make a big difference by examining some of the lessons we've learned during our recovery and consider possible changes to the Stafford Act itself that might help prevent these problems from occurring again in the future.

Today, I want to take this opportunity to update the Subcommittee on some of the issues we have faced in Southwest Louisiana that, in my opinion, need to be addressed.

Inconsistent FEMA policies and procedures and constant staff turnover on the ground have plagued recovery efforts from the beginning. One issue we are dealing with right now is FEMA's inconsistencies with regards to college students' eligibility for emergency and rental assistance. In many cases, students were misled in the days after the storms and told they were eligible to receive aid. Now FEMA is seeking to recoup those monies after deciding the students weren't actually eligible. Even more frustrating, it appears the recoup letters aren't being sent out in a uniform manner. Not all students are being asked to refund the monies. Only this week has FEMA sought to further clarify its policy. This is a statewide problem. But there are other examples in my district where FEMA has provided inaccurate information regarding eligibility or simply changed the rules mid-game.

In Vermilion Parish, two elementary schools were assessed by FEMA to have cost at least 50 percent of the pre-storm value to clean and restore. As a result, both schools were determined to be eligible to be rebuilt - with FEMA covering 90 percent of the cost and the local government contributing the remaining 10 percent. Months went by with school board officials operating under the assumption that they would have two new schools. Additional land was purchased by the school board to accommodate one of the new buildings. After two more reviews, however, FEMA changed course and determined that the schools, in fact, were not eligible to be rebuilt. At the end of the day, it was determined that a low-level FEMA field agent had misled the local officials.

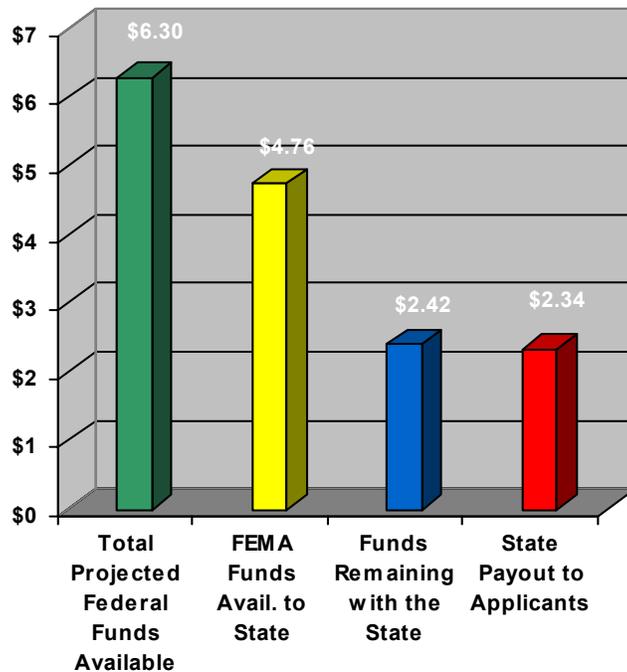
The information being provided by FEMA - and the eligibility decisions they make - should be accurate and consistent. I believe the problem can be traced to the high turnover of FEMA staff in the field. In passing FEMA reform legislation last year, Congress sought to provide officials on the ground with decision making authorities and to help prevent the constant staff turnover. Unfortunately, it appears little is being done within the Agency to

implement these reforms. I hope the Subcommittee uses its oversight role to address this issue in the coming months.

Another issue that warrants revisiting is how best to get the federal funds we approve here in Congress into the hands of disaster victims quickly and efficiently while still providing adequate safeguards against fraud and abuse. There are numerous examples in Louisiana where critical disaster funds are still being held up at the state level. Once a public or private applicant successfully completes the project worksheet requirements at the federal level – the current system requires them to undergo more levels of bureaucracy within the state before receiving payment. The Town of Vinton is still waiting for \$1.5 million in reimbursement for debris removal expenses. With an annual budget of \$7 million, this is a significant expense for the local government.

In addition, eighteen months after the storms, the Cajundome in Lafayette has not been fully reimbursed for providing shelter to about 17,000 evacuees from both Rita and Katrina. The facility, and its neighboring convention center, served as a shelter for nearly two months. The facilities were closed an additional 60 days afterwards for repairs and clean-up. Officials estimate that the constant use of the buildings for such an extended period of time aged the infrastructure by about 4 years.

The chart below, which is updated each week and provided to the Louisiana delegation by FEMA, summarizes the payout of statewide Public Assistance as of May 5, 2007. Of the \$4.76 billion in funds made available to the state so far, a little less than half has been paid out to the applicants.



In Cameron, the hardest hit Parish, only \$27 million of the \$99 million currently available has reached its intended recipients. In Vermillion Parish, only about 55 percent of the

available funds have been released. The numbers for Calcasieu Parish are better – with almost 75 percent of the available funds being dispersed.

The current payment system should be streamlined so that applicants are not required to go through multiple layers of government bureaucracy to receive payments.

Congress should also consider changes to the Stafford Act to allow FEMA to reimburse other federal agencies for certain work they perform after a disaster. The Sabine National Wildlife Refuge was covered with trash and debris after Hurricane Rita washed over its marshes and wetlands. I toured the Refuge weeks after the storm, and couldn't believe my eyes.

Department of Interior statistics show the approximately seven million cubic meters of debris (250,000 dump truck loads) contained everything from teddy bears to tanks the size of large 18-wheelers. A post hurricane assessment identified 1,400 potential hazardous material items containing an estimated 115,000 to 350,000 gallons of hazardous liquids and gases blown and submerged throughout refuge wetlands.

Unfortunately, the Stafford Act prohibited FEMA from being able to reimburse the Refuge for its clean-up costs – and the Refuge did not have the funds to begin the work. It ultimately took about 8 months - and a Congressional earmark of \$12 million - to get the money flowing and the clean-up underway. But it took considerable effort to get that funding inserted in the 4th Supplemental spending bill last year. We shouldn't have to wait for a Congressional earmark to move forward while thousands of gallons of hazardous material threaten our wetlands and critical habitats.

I am pleased to report the clean-up of the Sabine Refuge was completed in February – about 17 months after the storm. The Stafford Act should be changed so that other federal agencies can be reimbursed by FEMA in emergency cases without having to wait for a direct appropriation from Congress.

Louisiana's local and state law enforcement also had to wait until March of 2006 – nearly six months after the storms – to receive funding to aid in their justice system recovery. Prior to a direct appropriation provided to law enforcement through the Department of Justice, Bureau of Justice Assistance (DOJ/BJA), criminal agencies received little federal assistance. The loss of critical infrastructure coupled with the loss of adequate local tax revenue meant that state and local agencies were struggling to find the resources to enforce the law. Once these critical funds were provided through DOJ/BJA, criminal justice agencies throughout the Gulf were able to restore operations to a level necessary to support recovery.

A strong working partnership developed between state and local agencies and their federal partners at DOJ/BJA. This unique relationship allowed them to bring the collective experience from all levels of criminal justice to bear on the problems facing the region. Funding was placed where it was needed most and allocated on a priority basis. The entire process was coordinated with FEMA to ensure funds were not duplicated and all proper controls were in place.

State and local agencies can better serve the public and respond to the law enforcement needs in a disaster area if FEMA is provided the authority to release emergency funds directly to DOJ/BJA – which is the traditional conduit for federal law enforcement funding. By allocating funds through DOJ/BJA, law enforcement and public safety officials would be able to directly access the critical funding under appropriate guidelines. I would like to work with the Subcommittee to provide FEMA with the clear statutory authority they need to achieve this goal.

Debris removal on private lands has also been an impediment in our recovery in Southwest Louisiana. Taxpayers should not have to bear the cost of clean-up on private lands, but in some cases; the issue is not so cut and dry. In one instance, a Cameron Parish School Board building was washed two-blocks away and settled on private land within a community subdivision. In that case, the homeowners were required to pay for the cost of removing the public debris. The Stafford Act does not currently allow for reimbursement for removal of public debris on private lands.

There were also cases where the U.S. Army Corps of Engineers (or a private contractor) was on site clearing debris on a public right-of-way, but could not clear debris on the adjacent private lands. This practice resulted in additional trips at a greater expense. It seems to me that it could be cost effective if the process could be modified in some way to allow for the Corps to do the additional work on the private lands while they are already on site.

The Stafford Act should also be amended to authorize FEMA to reimburse expenses incurred for re-internment. In Cameron Parish, nearly 350 bodies, crypts, and caskets had to be re-interned after the storm at a cost of approximately \$600 - \$800 per re-internment. The remains were washed away from public and private cemeteries, and in many cases, no one claimed the bodies. Local mortuaries undertook the task at their own expense because FEMA is not authorized to reimburse the mortuaries. The mortuaries are now seeking assistance through the Louisiana Recovery Authority – but over 18 months later – they still have not received reimbursement. I imagine that this is likely an issue in New Orleans as well. We should respect the deceased and ensure that the remains are re-interned quickly and with the dignity they deserve. We shouldn't have to spend months and months trying to figure out whose responsibility it is to bear this cost.

Finally, I want to mention an issue that is still in its infancy, but merits bringing to the Committee's attention. As my colleagues probably know, FEMA is seeking to transfer long-term housing in the Gulf Coast to HUD later this year. There is concern that little is being done to work with the local housing authorities to help facilitate this change. I strongly believe that FEMA and HUD should consult with these authorities so that mass confusion does not ensue when the transfer takes place. I am hopeful that they are reaching out to the appropriate local authorities and want to make sure we continue to monitor this issue as the process unfolds.

I want to thank the Subcommittee again for allowing me to testify today. There is no doubt that Hurricane Rita has forever changed our coast, but no force of nature is strong enough to destroy the spirit that helped the people of Southwest Louisiana recover and rebuild. Much

more work remains to be done. But we can learn from this tragedy and prepare ourselves for future disasters of the magnitude of Katrina and Rita. The Subcommittee should use this unique opportunity to make the changes that need to be made now – so that future recovery efforts aren't hindered.

I'd be happy to take any questions.