

STATEMENT OF  
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FEDERAL EMERGENCY MANAGEMENT AGENCY  
DEPARTMENT OF HOMELAND SECURITY

BEFORE THE  
BANKING, HOUSING AND URBAN AFFAIRS COMMITTEE

U.S. SENATE

FEBRUARY 15, 2006

GOOD MORNING CHAIRMAN SHELBY, RANKING MEMBER SARBANES, AND COMMITTEE MEMBERS.

I AM DAVID GARRATT, THE ACTING DIRECTOR OF RECOVERY AT FEMA, AND AM REPRESENTING SECRETARY CHERTOFF AND ACTING FEMA DIRECTOR PAULSON. IT IS AN HONOR TO APPEAR BEFORE THIS COMMITTEE TO SUMMARIZE AND DISCUSS OUR EMERGENCY SHELTERING AND HOUSING EFFORTS IN SUPPORT OF HURRICANE KATRINA AND RITA VICTIMS, AS WELL AS OUR OVERALL EFFORTS TO CONTRIBUTE TO THE REBUILDING OF THE GULF COAST.

WE AT THE DEPARTMENT OF HOMELAND SECURITY AND FEMA APPRECIATE YOUR INTEREST IN THE HOUSING CHALLENGES PRESENTED BY THE SCOPE AND SCALE OF THESE UNPRECEDENTED DISASTERS. I THINK WE ALL RECOGNIZE THAT THESE HURRICANES, AND KATRINA IN PARTICULAR, HAVE THOROUGHLY TESTED THE CAPABILITIES OF IMPACTED STATE AND LOCAL GOVERNMENTS, FEMA, THE DEPARTMENT, AND THE NATION, INCLUDING THE MANY STATES AND COMMUNITIES NATIONWIDE WHO ARE HOSTING DISPLACED EVACUEES FROM THE AFFECTED GULF REGION. AND YET, WHILE THESE EVENTS HAVE TESTED OUR PLANS AND PROCESSES AS NEVER BEFORE, FEMA'S SHELTERING AND HOUSING ASSISTANCE PROGRAMS HAVE PROVIDED OR FACILITATED THE MEANS FOR HUNDREDS OF THOUSANDS OF EVACUEES TO QUICKLY SECURE INTERIM ACCOMMODATIONS, EVEN AS WE CONTINUE TO FUND AND FACILITATE

AN AGGRESSIVE STRATEGY TO TRANSITION THOSE INDIVIDUALS AND FAMILIES INTO LONGER-TERM, AND MORE STABLE, HOUSING SOLUTIONS.

IT HAS BEEN A CHALLENGING TIME – NEARLY SIX MONTHS SINCE HURRICANE KATRINA MADE LANDFALL – FOR VICTIMS, COMMUNITIES, STATES, VOLUNTARY AGENCIES, AND THE FEDERAL GOVERNMENT ALIKE. AND, WHILE WE HAVE MADE SIGNIFICANT STRIDES IN ADDRESSING THE PRESSING HOUSING NEEDS OF VICTIMS ACROSS THE COUNTRY, MANY CHALLENGES AND DIFFICULT DECISIONS REMAIN.

NEVERTHELESS, WE HAVE BEEN, AND REMAIN, COMMITTED TO HELPING HOUSEHOLDS RECOVER AND RE-ESTABLISH THEMSELVES. I WOULD LIKE TO OUTLINE THE ASSISTANCE PROGRAMS - UNDER THE ROBERT T. STAFFORD DISASTER RELIEF AND EMERGENCY ASSISTANCE ACT - THAT FEMA CONTINUES TO PROVIDE IN SUPPORT OF BOTH SHELTERING AND HOUSING NEEDS.

UNDER OUR PUBLIC ASSISTANCE PROGRAM, AUTHORIZED BY SECTION 403 OF THE STAFFORD ACT, FEMA IS AUTHORIZED TO REIMBURSE STATES FOR EMERGENCY PROTECTIVE MEASURES, INCLUDING EMERGENCY SHELTERING. TYPICALLY, THESE COSTS ARE REIMBURSED ONLY FOR THOSE STATES DIRECTLY AFFECTED BY THE DISASTER. HOWEVER, THE SCALE OF THE EVACUATION PROMPTED BY HURRICANE KATRINA REQUIRED A MORE EXPANSIVE APPROACH. TO ENCOURAGE STATES OUTSIDE OF THE HURRICANE-

AFFECTED AREA TO ACCEPT AND ASSIST THE HUNDREDS OF THOUSANDS OF EVACUEES FROM THE GULF REGION, THE PRESIDENT RESPONDED TO GUBERNATORIAL REQUESTS BY DECLARING EMERGENCIES FOR 44 STATES AND THE DISTRICT OF COLUMBIA. THESE EMERGENCY DECLARATIONS HAD THE EFFECT OF REASSURING THOSE STATES THAT THEIR SHELTERING COSTS WOULD BE REIMBURSED, AS WELL AS PROVIDED THE MEANS FOR STATES TO TRANSITION THESE EVACUEES OUT OF SHELTERS AND INTO LONGER TERM TEMPORARY HOUSING. THIS LATTER CAPABILITY HAS PROVIDED AN INVALUABLE BRIDGE TO OUR LONGER TERM HOUSING STRATEGY, AS IT ALLOWS JURISDICTIONS – ON A REIMBURSABLE BASIS – TO ARRANGE SHORT-TERM LEASE APARTMENTS FOR EVACUEES, ALLOWING THEM TO MOVE OUT OF TRANSITIONAL SHELTER ENVIRONMENTS, SUCH AS HOTELS, AND INTO MORE STABLE TEMPORARY HOUSING.

ANOTHER FORM OF SHELTERING ASSISTANCE THAT, TRADITIONALLY, IS RARELY, AND THEN ONLY BRIEFLY IMPLEMENTED IN DISASTERS, IS HOTEL/MOTEL SUBSIDIES. HOWEVER, IN RESPONSE TO HURRICANE'S KATRINA AND RITA, THIS ASSISTANCE MECHANISM HAS BEEN CENTER STAGE.

RECOGNIZING THAT THE ROAD TO RECOVERY REQUIRED THAT WE REMOVE FAMILIES FROM CONGREGATE SHELTER ENVIRONMENTS AS QUICKLY AS POSSIBLE, FEMA AUTHORIZED STATES, WITHIN DAYS OF HURRICANE KATRINA'S LANDFALL, TO RELOCATE FAMILIES TO HOTEL/MOTEL ROOMS. AT THE SAME

TIME, THE AMERICAN RED CROSS INITIATED A SIMILAR HOTEL/MOTEL SUBSIDY PROGRAM, AS AUTHORIZED BY A STATEMENT OF UNDERSTANDING WITH FEMA. TOGETHER, FEMA, THE STATES, AND THE AMERICAN RED CROSS FACILITATED THE RELOCATION OF THOUSANDS OF FAMILIES TO MORE PRIVATE, AND HUMANE, LIVING CONDITIONS. IN LATE OCTOBER 2005, FEMA AGREED TO ASSUME RESPONSIBILITY FOR FUNDING THE HOTEL/MOTEL SUBSIDIES OF THOSE HOUSEHOLDS PLACED BY THE AMERICAN RED CROSS, WHICH HAS BEEN, AND REMAINS, A STALWART AND DEPENDABLE PARTNER OF FEMA AND THE FEDERAL GOVERNMENT IN DISASTER RESPONSE AND RECOVERY OPERATIONS.

THROUGHOUT THE INTERVENING MONTHS, WE HAVE WORKED WITH MORE THAN 7,500 HOTELS AND FUNDED OVER 3 MILLION ROOM NIGHTS. HOWEVER, NEARLY SIX MONTHS REMOVED FROM KATRINA LANDFALL, THE TIME HAS COME TO END THE SHELTERING PHASE OF THE RECOVERY, AND COMPLETE THE TRANSITION OF KATRINA AND RITA EVACUEES TO MORE STABLE TEMPORARY HOUSING, AND WHERE FEASIBLE, PERMANENT HOUSING. FOR MANY, THIS WILL BE A DIFFICULT TRANSITION, AS NOT EVERY HOUSEHOLD WILL BE ELIGIBLE FOR FEDERAL ASSISTANCE, NOR WILL EVERY HOUSEHOLD BE ABLE TO IMMEDIATELY RETURN TO THEIR PRE-DISASTER HOMES, OR HOMETOWNS. NEVERTHELESS, DURING THIS PERIOD, WE HAVE DILIGENTLY AND CEASELESSLY, USING COMMUNITY RELATIONS AND VOLUNTARY OUTREACH TEAMS, MADE REPEATED EFFORTS TO CONTACT EVERY VICTIM REGISTERED AND SUBSIDIZED IN EVERY SINGLE HOTEL OR MOTEL ROOM ACROSS THE

UNITED STATES, TO MAKE SURE EVERY HOTEL AND MOTEL OCCUPANT HOUSEHOLD HAS EVERY OPPORTUNITY TO AVAIL THEMSELVES OF ALL AVAILABLE TRANSITION ASSISTANCE.

FIRST, AND MOST IMPORTANTLY, EVERY HOUSEHOLD MUST REGISTER WITH FEMA TO RECEIVE FEMA HOUSING ASSISTANCE. REGISTRATION CAN BE ACCOMPLISHED EITHER ON-LINE, OR THROUGH OUR 1-800 NUMBERS. FEMA'S ABILITY TO PROCESS REGISTRATIONS IN A TIMELY MANNER IS SECOND TO NONE. FOLLOWING HURRICANE KATRINA, FEMA PROCESSED OVER 100,000 REGISTRATIONS ACROSS A SINGLE 24-HOUR PERIOD, MORE THAN DOUBLING ANY PREVIOUS DISASTER SINGLE-DAY REGISTRATION RECORD. THE INDIVIDUALS AND HOUSEHOLDS PROGRAM (IHP) PROVIDES FINANCIAL HELP OR DIRECT SERVICES TO UNITED STATES CITIZENS, NON-CITIZEN NATIONAL, OR QUALIFIED ALIENS WHOSE PRIMARY RESIDENCE WAS DAMAGED AS A DIRECT RESULT OF A PRESIDENTIALLY DECLARED DISASTER WHEN THEY ARE UNABLE TO MEET THESE NEEDS THROUGH OTHER MEANS. EVEN IF A REGISTERED INDIVIDUAL OR HOUSEHOLD IS ULTIMATELY DETERMINED TO BE INELIGIBLE FOR FEMA ASSISTANCE, WE CAN REFER THEM TO OTHER SOURCES OF POTENTIAL ASSISTANCE, SUCH AS VOLUNTARY AGENCIES OR THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S KATRINA DISASTER HOUSING ASSISTANCE PROGRAM, OR KDHAP. UNDER THE SUPPLEMENTAL BUDGET, KDHAP IS SUCCEDED BY THE DISASTER VOUCHER PROGRAM (DVP) UNDER WHICH PUBLIC HOUSING AUTHORITIES WILL ASSIST INDIVIDUALS OR

HOUSEHOLDS WHO WERE DISPLACED RESIDENTS OF A HUD PROGRAM OR HOMELESS AT THE TIME OF THE DISASTER.

WHILE SECTION 403 OF THE STAFFORD ACT, AS I HAVE DESCRIBED, SUPPORTS SHELTERING ACTIVITIES, FEMA'S HOUSING ASSISTANCE AUTHORITIES ARE COVERED UNDER SECTION 408 OF THE STAFFORD ACT. I WOULD LIKE TO BRIEFLY DESCRIBE THE COMPONENTS THAT MAKE UP OUR HOUSING ASSISTANCE PROGRAMS.

UNDER SECTION 408 OF THE STAFFORD ACT, FEMA IS AUTHORIZED TO PROVIDE: RENTAL ASSISTANCE; HOME REPAIR ASSISTANCE; HOME REPLACEMENT ASSISTANCE; DIRECT HOUSING; AND OTHER NEEDS ASSISTANCE, THE LATTER IS DESIGNED TO ASSIST WITH NECESSARY EXPENSES AND SERIOUS NEEDS, INCLUDING PERSONAL PROPERTY LOSSES. I'LL DISCUSS EACH BRIEFLY.

UNDER THE TRANSITIONAL HOUSING ASSISTANCE PROGRAM, FEMA HAS PROVIDED, AS OF FEBRUARY 10<sup>TH</sup>, RENTAL PAYMENTS TO MORE THAN 675,000 APPLICANTS, TOTALING MORE THAN \$1.6 BILLION. IN PROVIDING THIS RENTAL ASSISTANCE, WE ARE AWARE THAT MANY DISPLACED HOUSEHOLDS RECEIVED THEIR CHECKS, OR DEPOSITS TO THEIR BANK ACCOUNTS, BEFORE RECEIVING MAILED GUIDANCE AND INSTRUCTIONS DETAILING THE INTENDED USE OF THE FUNDING, AND PROCEDURES FOR RECEIVING SUBSEQUENT RENTAL ASSISTANCE. ACCORDINGLY, FEMA WILL RECERTIFY AND CONTINUE TO

PROVIDE RENTAL ASSISTANCE IN THREE-MONTH INCREMENTS – FOR AS LONG AS HOUSEHOLDS QUALIFY FOR SUCH ASSISTANCE. THIS ACCOMMODATION APPLIES ONLY TO THE INITIAL RECERTIFICATION OF RENTAL ASSISTANCE. SUBSEQUENT RECERTIFICATIONS WILL REQUIRE NECESSARY RENT RECEIPT DOCUMENTATION. I THINK IT IS IMPORTANT TO NOTE THAT FEMA IS PROHIBITED BY LAW FROM DUPLICATING ASSISTANCE. THEREFORE, IF A DISASTER VICTIM HAS AN INSURANCE POLICY THAT PROVIDES ALTERNATE LIVING EXPENSES, WE WILL NOT DUPLICATE THAT AID UNLESS THEIR SETTLEMENT IS DELAYED. IN SUCH CASES, APPLICANTS ARE ADVISED THEY WILL BE REQUIRED TO RETURN THE DUPLICATED ASSISTANCE TO FEMA FOLLOWING SETTLEMENT. SIMILARLY, IF VICTIMS ARE RECEIVING OTHER FORMS OF HOUSING SUPPORT THAT OBTAIN THE NEED FOR OUR ASSISTANCE, WE WILL NOT KNOWINGLY DUPLICATE THAT AID. WE WILL ALSO, AS A STANDARD PART OF OUR RECERTIFICATION PROCESS, VALIDATE THAT THE APPLICANT IS PURSUING A PERMANENT HOUSING STRATEGY, TO INCLUDE ECONOMIC SELF-SUFFICIENCY.

FEMA IS AUTHORIZED TO PAY UP TO \$5,200 IN HOME REPAIR ASSISTANCE TO ELIGIBLE VICTIMS OF HURRICANES KATRINA AND RITA. REPAIRING A HOME TO MAKE IT LIVABLE, WHERE THAT OPTION EXISTS, IS A PREFERRED REMEDY, AS IT KEEPS PEOPLE IN THEIR HOMES, IN THEIR COMMUNITIES, AND IS COST-EFFECTIVE. TO DATE, WE HAVE PROVIDED MORE THAN \$335 MILLION IN HOME REPAIR PAYMENTS TO VICTIMS OF HURRICANES KATRINA AND RITA, HELPING



MAKE NEARLY 175,000 HOMES HABITABLE ACROSS THE GULF REGION. IN ADDITION, UNDER THE PUBLIC ASSISTANCE PROGRAM, WE HAVE PROVIDED OR INSTALLED PLASTIC SHEETING OR TARPS ON NEARLY 150,000 ROOFS IN THE GULF REGION, ENABLING THOSE RESIDENTS TO CONTINUE LIVING IN THEIR HOMES EVEN AS THEY PURSUE PERMANENT REPAIRS.

FEMA IS ALSO AUTHORIZED TO PAY UP TO \$10,500 IN HOME REPLACEMENT ASSISTANCE TO ELIGIBLE APPLICANTS. THUS FAR, IN ALABAMA, LOUISIANA, MISSISSIPPI, AND TEXAS COMBINED, WE HAVE PROVIDED MORE THAN \$270 MILLION TO OVER 27,000 HOUSEHOLDS TO HELP THEM REPLACE THEIR DESTROYED HOUSING. NOTE THAT NEITHER OF THESE FORMS OF ASSISTANCE IS DESIGNED TO TAKE THE PLACE OF, OR SUBSTITUTE FOR INSURANCE, NOR ARE THEY DESIGNED TO COVER ALL DISASTER-RELATED LOSSES. CONSEQUENTLY, THE ASSISTANCE WE PROVIDE IS NOT AS COMPREHENSIVE AS AN INSURANCE POLICY.

AS I NOTED EARLIER, THE SCOPE AND SCALE OF DEVASTATION FROM THESE TWO HURRICANES ELIMINATED THE HOME REPAIR OPTION FOR MANY HOUSEHOLDS. IN ADDITION, HOME REPAIR DOES NOT APPLY TO RENTERS, WHO NEVERTHELESS HAVE THE SAME NEED FOR TEMPORARY HOUSING ASSISTANCE. FOR BOTH THESE TYPES OF HOUSEHOLDS, FEMA OFFERS TWO FORMS OF INTERIM HOUSING ASSISTANCE: RENTAL ASSISTANCE – IN THE FORM OF FINANCIAL ASSISTANCE PAID DIRECTLY TO AN ELIGIBLE APPLICANT, AND

DIRECT HOUSING ASSISTANCE – IN THE FORM OF A DWELLING PROVIDED BY FEMA TO AN ELIGIBLE APPLICANT.

DIRECT HOUSING ASSISTANCE CAN BE PROVIDED – FOR UP TO 18 MONTHS FROM THE DATE OF THE DECLARATION – EITHER IN THE FORM OF DIRECT LEASES (SUCH AS APARTMENTS), OR THROUGH THE PROVISION OF MANUFACTURED HOUSING. THE LATTER OPTION IS AVAILABLE ONLY IN THE IMPACTED STATES, WHERE EXISTING HOUSING STOCK HAS BEEN DESTROYED OR RENDERED UNINHABITABLE. THIS LACK OF FIXED HOUSING STOCK IS PARTICULARLY ACUTE IN THE STATES OF LOUISIANA AND MISSISSIPPI, WHERE MANUFACTURED HOUSING IS THE ONLY CURRENTLY AVAILABLE TEMPORARY HOUSING SOLUTION FOR DISASTER VICTIMS WHO WISH TO BE CLOSE TO HOME, CLOSE TO THEIR JOBS, CLOSE TO THEIR FAMILIES, OR CLOSE TO THEIR CHILDREN’S SCHOOLS.

WHILE MANUFACTURED HOUSING CAN PROVIDE A TIMELY AND EFFECTIVE TEMPORARY SOLUTION FOR CRITICAL AND IMMEDIATE HOUSING PROBLEMS, WE ALSO RECOGNIZE THAT LARGE GROUP SITES CAN CREATE SOCIAL CHALLENGES AND LOGISTICAL PROBLEMS. ACCORDINGLY, WE STRONGLY ENCOURAGE, WHEREVER POSSIBLE, THAT MANUFACTURED UNITS BE PLACED ON PRIVATE PROPERTY - SUCH AS A FAMILY DRIVEWAY - SO THAT DISASTER VICTIMS CAN REMAIN IN THEIR COMMUNITIES AS THEY BEGIN THE LONG PROCESS OF REBUILDING THEIR HOMES AND THEIR LIVES.

HOWEVER, WHEN IT BECOMES NECESSARY TO DEVELOP GROUP MANUFACTURED HOUSING SITES – AND IT IS ABSOLUTELY NECESSARY FOR MANY COMMUNITIES ACROSS THE GULF REGION - OUR PREFERENCE IS TO PLACE SUCH UNITS ON PREVIOUSLY DEVELOPED COMMERCIAL SITES, SINCE THEY ALREADY HAVE THE INFRASTRUCTURE NECESSARY TO SUPPORT TIMELY INSTALLATION AND OCCUPANCY. HOWEVER, IN THOSE AREAS WHERE THE LACK OF INFRASTRUCTURE AND/OR CAPACITY PREVENTS USE OF PRIVATE OR COMMERCIAL SITES, WE ARE ACTIVELY BUILDING SITES – WITH THE NECESSARY INFRASTRUCTURE – TO SUPPORT MANUFACTURED HOUSING COMMUNITIES. AGAIN, RECOGNIZING THAT MANUFACTURED HOUSING COMMUNITIES CAN, OVER TIME, PRESENT SOCIAL CHALLENGES, THE SIZE OF SUCH DEVELOPMENTS IS LIMITED IF A LARGER CONCENTRATION OF MANUFACTURED HOUSING UNITS IS PROPOSED, THIS SITING MUST BE SPECIFICALLY APPROVED BY DHS, AND THE STATE AND LOCAL GOVERNMENTS.

AS OF FEBRUARY 10, 2006, WE HAVE MORE THAN 75,000 MANUFACTURED UNITS OCCUPIED IN THE KATRINA AND RITA IMPACTED STATES. THE OVERWHELMING MAJORITY OF THESE UNITS ARE TRAVEL TRAILERS. TRAILERS ARE UTILIZED WITH FAR GREATER FREQUENCY BECAUSE THEY ARE MOVABLE, AND THUS CAN BE EMPLOYED IN LOW-LYING AREAS WHERE INSTALLATION OF A MOBILE HOME IS PROHIBITED DUE TO THE RISK OF FURTHER FLOODING. IN ADDITION, THEY

ARE SMALLER AND CAN BE PARKED ON PROPERTY OWNED BY A HOMEOWNER, WHILE THAT HOUSEHOLD WORKS TO REPAIR THEIR DAMAGED STRUCTURE.

ONE OF THE BIGGEST CHALLENGES FACING THE RECOVERY EFFORT IS FINDING AND SECURING SUFFICIENT RENTAL ASSETS TO MEET THE HUGE DEMANDS CREATED BY THE MASS EXODUS OF EVACUEES. FORTUNATELY, NUMEROUS DWELLINGS HAVE BEEN MADE AVAILABLE BY OTHER FEDERAL AGENCIES. TO DATE, OVER 11,000 EVACUEE HOUSEHOLDS HAVE BEEN PLACED IN FEDERAL HOUSING RESOURCES ACROSS THE KATRINA-RITA IMPACT AREAS. FOR EXAMPLE, THE U.S. DEPARTMENT OF AGRICULTURE HAS MADE THOUSANDS OF SUCH DWELLINGS AVAILABLE. IN LOUISIANA ALONE, 1,100 FAMILIES HAVE BEEN PLACED IN USDA HOUSES. WE HAVE ALSO ENTERED INTO AN INTER-AGENCY AGREEMENT WITH THE DEPARTMENT OF VETERANS AFFAIRS TO MAKE THEIR UNSOLD HOUSING UNITS AVAILABLE FOR EVACUEE RENTAL, AND ARE ACTIVELY PURSUING A SIMILAR ARRANGEMENT WITH FANNIE MAE. IN ADDITION, THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES RECENTLY ANNOUNCED \$550 MILLION IN FUNDING TO THE 50 STATES AND THE DISTRICT OF COLUMBIA FOR ADDITIONAL HURRICANE RELIEF. THESE FUNDS WILL COME FROM THE SOCIAL SERVICES BLOCK GRANT (SSBG) PROGRAM, ADMINISTERED BY HHS' ADMINISTRATION FOR CHILDREN AND FAMILIES (ACF). THEY WILL BE GIVEN TO STATES TO PROVIDE HEALTH CARE, MENTAL HEALTH AND SOCIAL SERVICES, AS WELL AS FOR THE REPAIR, RENOVATION AND

CONSTRUCTION OF FACILITIES PROVIDING THOSE SERVICES TO VICTIMS OF HURRICANES KATRINA, RITA AND WILMA.

WE HAVE BEEN COLLABORATING CLOSELY WITH HUD FROM THE OUTSET OF THIS EVENT, WORKING TOGETHER TO RECONCILE AND APPLY OUR RESPECTIVE AUTHORITIES AND CAPABILITIES TO PROVIDE MAXIMUM BENEFIT TO THOSE MOST IN NEED OF HOUSING ASSISTANCE. IN ADDITION TO PARTNERING WITH THE DEPARTMENT OF HOMELAND SECURITY AND FEMA THROUGH THEIR KDHAP PROGRAM, HUD HAS MADE REPOSSESSED HOUSES AVAILABLE TO FEMA-ELIGIBLE DISASTER HOUSEHOLDS, AND HAS PLACED HUNDREDS OF DISASTER VICTIMS IN HOUSES IN THE FOUR-STATE AREA, INCLUDING 207 FAMILIES IN TEXAS ALONE. TODAY, BOTH HERE AND IN THE FIELD, HUD TEAMS AND PERSONNEL CONTINUE TO WORK CLOSELY WITH FEMA TO IDENTIFY AND ASSIST ELIGIBLE DISASTER VICTIMS, WHEREVER THEY MAY BE.

HUD ALSO RECENTLY ANNOUNCED HUD'S PLAN TO ALLOCATE \$11.5 BILLION IN DISASTER FUNDING AMONG FIVE GULF COAST STATES IMPACTED BY HURRICANES KATRINA, RITA AND WILMA. THE EMERGENCY FUNDING IS PROVIDED THROUGH HUD'S *COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)* PROGRAM TO SPECIFICALLY ASSIST LOUISIANA, MISSISSIPPI, FLORIDA, ALABAMA AND TEXAS IN THEIR LONG-TERM RECOVERY EFFORTS. THIS ALONG WITH HUD'S DISASTER VOUCHER PROGRAM (DVP), CREATED THROUGH A \$390 MILLION SUPPLEMENTAL APPROPRIATION IN THE DEPARTMENT OF DEFENSE APPROPRIATIONS ACT OF 2006, WILL PROVIDE ONGOING TEMPORARY RENTAL

ASSISTANCE FOR PEOPLE DISPLACED BY HURRICANES KATRINA AND RITA WHO AT THE TIME LIVED IN PUBLIC HOUSING, HAD A VOUCHER, OR WHO WERE HOMELESS. KDHAP RENTAL ASSISTANCE, FUNDED BY FEMA AND OPERATED BY HUD.

WHILE TRANSITIONING SO MANY DISPLACED HOUSEHOLDS INTO TEMPORARY HOUSING HAS BEEN - AND WILL CONTINUE TO BE - A CHALLENGE, FEMA AND ITS PARTNERS AT EVERY LEVEL OF GOVERNMENT AND WITHIN THE PRIVATE SECTOR ARE COMMITTED TO WORK TOGETHER TO FIND TIMELY AND EQUITABLE SOLUTIONS.

OUR VOLUNTARY PARTNERS ARE AN INVALUABLE PART OF MEETING THE CHALLENGE OF HOUSING APPLICANTS. ONE EXAMPLE OF THE CRITICAL ROLE OF THE VOLUNTARY AGENCY COMMUNITY IS OUR CONTINUED PARTNERSHIP WITH THE NATIONAL VOLUNTARY ORGANIZATIONS ACTIVE IN DISASTER (NVOAD) AND OUR WORK WITH ONE OF THEIR MEMBER AGENCIES: UMCOR – THE UNITED METHODIST COMMITTEE ON RELIEF. UMCOR, THROUGH A \$66 MILLION DOLLAR GRANT PROVIDED FROM INTERNATIONAL DONATIONS, IS HELPING FEMA AND THE STATES IDENTIFY AND PROVIDE INTENSIVE CASE MANAGEMENT ASSISTANCE TO THOSE EVACUEES FACING THE TOUGHEST OF CIRCUMSTANCES IN RE-ESTABLISHING THEIR LIVES AND LIVELIHOODS, INCLUDING THOSE EVACUEES WHO ARE NOT ELIGIBLE FOR FEMA FINANCIAL ASSISTANCE OR HAVE EXHAUSTED THAT ASSISTANCE. AS OUR CASEWORK

PARTNER, UMCOR IS HELPING SUCH FAMILIES FIND HOUSING, FIND JOBS, AND LEARN TO HANDLE THEIR FINANCES, AS WELL AS COPE WITH THE MANY CHALLENGES OF INTEGRATING INTO A NEW – OR DEVASTATED – COMMUNITY. TO ACCOMPLISH THIS MISSION, UMCOR IS FIELDING 600 CASE MANAGERS, AS WELL AS LEVERAGING 2,400 VOLUNTEER CASE MANAGERS, TO PROVIDE COMPREHENSIVE ASSISTANCE TO OVER 100,000 HOUSEHOLDS IN NEED.

RECOGNIZING THE IMMENSE SCALE AND COMPLEXITY OF THE LONG-TERM RECOVERY CHALLENGES AND CONSIDERATIONS FACING THE GULF COAST, THE PRESIDENT ESTABLISHED THE OFFICE OF THE FEDERAL COORDINATOR FOR GULF COAST REBUILDING, AND APPOINTED CHAIRMAN POWELL TO LEAD THAT ORGANIZATION’S EFFORTS. TO HELP ENSURE THAT THE DEPARTMENT OF HOMELAND SECURITY AND FEMA ARE COORDINATING FULLY WITH CHAIRMAN POWELL, AND THAT MAXIMUM COLLABORATION TAKES PLACE BETWEEN, FEMA RECENTLY APPOINTED MR. GIL JAMIESON AS THE DEPUTY FEMA DIRECTOR FOR GULF COAST RECOVERY. IN THIS ROLE, MR. JAMIESON WILL OVERSEE FEMA RECOVERY OPERATIONS ACROSS THE GULF STATES, AND WILL BE COORDINATING CLOSELY, AND ROUTINELY, WITH CHAIRMAN POWELL AND HIS STAFF.

IN SUMMARY, AS OF EARLY FEBRUARY, FEMA HAS SPENT OVER \$6.1 BILLION ON ASSISTANCE FOR OVER 1.4 MILLION DISASTER VICTIMS. AS THIS DIFFICULT RECOVERY PHASE CONTINUES, SO TOO DOES OUR RELENTLESS COMMITMENT

TO THE VICTIMS OF THESE DISASTERS, AND TO THE STATES AND CITIES WHO ARE HELPING TO HOUSE AND CARE FOR THEM. AT THE SAME TIME, WE CONTINUE TO SEEK ALTERNATIVE HOUSING SOLUTIONS IN THE IMPACTED AREAS, TO AFFORD AS MANY DISPLACED VICTIMS AS POSSIBLE THE OPPORTUNITY TO RETURN HOME, AS QUICKLY AS POSSIBLE.

WE ALL REALIZE THAT THIS ROAD TO RECOVERY WILL BE A LONG ONE, AND FRAUGHT WITH CHALLENGES AND FRUSTRATIONS ALONG THE WAY.

NEVERTHELESS, THIS AGENCY, THIS DEPARTMENT, AND THIS ADMINISTRATION REMAIN COMMITTED TO THE MISSION: THE SUCCESSFUL RESTORATION OF A SOCIALLY AND ECONOMICALLY VIBRANT GULF COAST.

THANK YOU. I AM PREPARED TO ANSWER ANY QUESTIONS YOU MAY HAVE.