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DR. COBURN QUESTIONS HUD ON USE OF DISASTER AID FUNDS SPENT ON TELEVISION ADVERTISEMENTS

In a [letter \(http://coburn.senate.gov/public//index.cfm?a=Files.Serve&File_id=490c1c3b-699a-4450-b439-67f798420b57\)](http://coburn.senate.gov/public//index.cfm?a=Files.Serve&File_id=490c1c3b-699a-4450-b439-67f798420b57) to Secretary Shaun Donovan of the U.S. Department of Housing and Urban Development (HUD), Dr. Coburn questioned whether disaster aid funding should be spent on television advertisements while many individuals still struggle to recover from Hurricane Sandy.

Specifically, the states of New York and New Jersey plan to spend around \$65 million of federal disaster aid on television ads including New York's campaign called "New York State Open for Business," and New Jersey's "Stronger than the Storm."

UPDATE: HUD Responds

Secretary Donovan [responded \(http://coburn.senate.gov/public//index.cfm?a=Files.Serve&File_id=8feb918f-fd97-4ddd-9367-0c7ca189d48d\)](http://coburn.senate.gov/public//index.cfm?a=Files.Serve&File_id=8feb918f-fd97-4ddd-9367-0c7ca189d48d) on June 28, 2013, and confirmed that HUD granted waivers to the states of New York and

New Jersey to allow them to use Community Development Block Grants-Disaster Recovery (CDBG-DR) funds to promote tourism in damaged areas. The use of CDBG-DR funds for tourism promotion is generally ineligible unless statutorily authorized or HUD grants a waiver.

HUD also confirmed that similar tourism support waivers were granted to the states of Louisiana and Mississippi to assist in their recovery from Hurricane Katrina. HUD explained that by approving the waivers, it requires that the tourism activities must be designed to support tourism to the most impacted and distressed areas related to the effects of the disaster.

In response to Dr. Coburn's question on whether HUD had conducted any assessments to determine if these television ads along the Gulf Coast had a positive impact on tourism and business, HUD responded, "Beyond the monitoring and monthly expenditure reviews that HUD conducts on CDBG-DR recipients in the ordinary course, HUD has not conducted any separate study or assessment on the impacts of television ads specifically on tourism and business in the Gulf Coast."