

TUESDAY, MARCH 14, 2006

# **COLLINS, LIEBERMAN SEEK BETTER HOUSING AID FOR KATRINA VICTIMS**

Homeland Security and Governmental Affairs Committee Chairman Susan Collins, R-Me., and Ranking Member Joe Lieberman, D-Conn., Wednesday wrote to Homeland Security Secretary Michael Chertoff asking him to improve housing assistance to Katrina victims and to take immediate steps to develop a national catastrophic housing plan. In their letter, Collins and Lieberman sought information on FEMA's efforts to ease the transition of victims from hotels and motels into temporary housing. They asked the Secretary to sort out why many Katrina victims have not received the mobile homes they have requested. They urged FEMA to clarify eligibility guidelines for those in need of additional rental assistance. And they asked the Secretary to coordinate with relevant federal, state, and local agencies, and non-governmental organizations to develop a national strategy to better handle the displacement of large numbers of people in the future. Following is the full text of the letter.

March 14, 2006

The Honorable Michael Chertoff

Secretary

Department of Homeland Security

Washington, DC 20528

Dear Secretary Chertoff:

We are writing to urge you to take immediate steps to address the critical shortfalls in FEMA's efforts to provide transitional housing for victims of Hurricane Katrina and to request that you institute a collaborative effort with the appropriate agencies to develop a national disaster housing strategy to ensure that when our government is called to provide transitional housing in the wake of a major disaster or catastrophe, the effort is effective and efficient.

Almost six months after hurricane Katrina ravaged the Gulf Coast, housing remains among the most pressing challenges facing thousands of residents in the region. Significant problems remain with transitional housing, including FEMA's hotel/motel program, which has imposed deadlines that are leaving many Katrina survivors struggling to find shelter. FEMA's manufactured housing program, which should be an alternative, has been hampered by confusion and inefficiency. In addition, the lack of a unified and coordinated federal disaster housing strategy is encumbering the delivery of federal housing assistance to storm victims and is sure to be an issue in future disasters. Our government's inability to help thousands of Americans who were forced from their homes find adequate housing is unacceptable.

### Hotel/Motel Program

On November 18, 2005, Senator Lieberman sent a letter to you urging that FEMA reconsider its decision to terminate the hotel/motel program by early December due to his concern that FEMA had ended the program before seeking to ensure that evacuees had secured alternative housing and that as a result, participants might be left homeless. The letter urged you to develop a comprehensive housing counseling program to assist evacuees as they transition to long-term housing. A court subsequently ordered FEMA to extend the deadline and to begin an outreach campaign to provide more useful information to participants about alternative housing options. FEMA then required individuals to register for an authorization code designed to enable the agency to provide that outreach and to better identify individuals utilizing the program. On February 13, the first of the new deadlines expired for individuals using the hotel/motel program, and the remaining participants were required to leave on March 1. Yet, despite the efforts of FEMA and the evacuees, thousands of participants had not secured viable housing options. On Thursday, February 23, FEMA once again extended the hotel/motel termination date to March 15.

We are pleased that FEMA is showing flexibility with regard to the program participants, and we hope that the agency will continue to help these families find alternate housing. As you know, many participants are waiting for FEMA to provide the mobile homes and travel trailers that were promised; still others are looking for alternative housing but have had trouble obtaining FEMA rental

assistance. An additional problem for some evacuees is the increase in market rates for rent and/or a lack of available housing. Some evacuees have simply been unable to make the transition out of the program. We remain concerned that until these problems are addressed, they will continue to hinder the housing transition. We strongly encourage you to consider the individual circumstances of each of the families still utilizing the hotel/motel program and to work to ensure that these families are able to secure rental assistance or identify alternative housing before the new March 15 deadline.

### FEMA Mobile Homes and Travel Trailers

We are dismayed that mobile homes and travel trailers are still not available for many who need them, particularly in Louisiana. The system for acquiring, deploying, and assigning trailers has been abysmal. In Louisiana, six months after Katrina hit, only 46 percent of the 90,000 requests for temporary housing units have been met. By comparison, in Mississippi, federal officials report that of about 40,000 such requests, 35,442 (88 percent) have been met. While FEMA contends that there are currently 48,357 occupied travel trailers and manufactured homes in Louisiana, nearly 42,000 more still need to be set up and made ready to house individuals. FEMA officials are installing about 500 units daily; at that rate it will take an additional 100 days before they reach their goal. This is simply unacceptable.

As you know, the Department of Homeland Security's Inspector General recently testified that as part of its sheltering initiative, FEMA purchased, at a total cost of nearly \$900 million, more than 25,000 manufactured and modular homes that are largely unusable for Katrina victims. By FEMA regulations, the homes cannot be installed in flood plains, in the areas where they are most needed, and some of the homes exceed the allowable size. According to the Inspector General, only 1,000 of the homes have been used for Katrina victims. We wonder what will happen to these homes. The Inspector General testified that many of them are improperly stored and some have been scavenged. Will these homes be re-sold at a substantial loss when so many Katrina victims' needs go unmet?

It appears that many of the modular and manufactured homes should never have been purchased. FEMA officials acted without adequately considering the urgent needs of Katrina victims or the limitations of their own regulations. Poor advance planning led to a frenzy of unfocused buying in the weeks after the storm and the squandering of \$900 million that could have been spent fulfilling real housing requirements. We ask that you explain how FEMA arrived at the decision to purchase the manufactured homes and whether you plan to utilize the homes to help meet the overwhelming need for transitional housing.

## FEMA Transitional Housing Assistance

As you know, under the Stafford Act, families displaced by disasters are eligible to receive rental assistance for up to 18 months so long as they have been unable to secure adequate housing on their own. Yet, FEMA has failed to provide clear guidance to families regarding their eligibility for ongoing rental assistance. This failure has created unnecessary anxiety and instability for families, as well as uncertainty among landlords about the prudence of renting available units to Katrina evacuees. In December, Congress directed FEMA to issue clear guidance regarding eligibility for housing assistance under the Individuals and Households Program and to include details for the extension of this assistance in such guidance. Your failure to issue this guidance is continuing to hamper the ability of families to make necessary housing decisions and to determine if they will return to their communities to rebuild. We urge you to quickly issue this guidance and to provide us with a copy of this guidance.

## National Disaster Housing Strategy

Finally, it is clear that the federal government is attempting to deal with this unprecedented housing crisis without a comprehensive strategy to address temporary or long-term housing needs on the Gulf Coast. Pursuant to its responsibilities under the National Response Plan (NRP), FEMA must be more proactive in its efforts to coordinate agencies and work to develop a national disaster housing strategy with the Department of Housing and Urban Development, the Department of Health and Human Services, the Department of Agriculture, and other state, local, and non-governmental agencies and organizations.

The 2005 hurricane season showed us that advance plans must be created, implemented, reviewed, and exercised in order to carry out a successful recovery. Agreements on the mechanisms the federal government should use to house disaster victims (beyond simply purchasing manufactured housing) and where and how agencies will provide resources must be predetermined, and officials must be familiar with them well in advance of disaster events. Preparation and coordination are absolutely critical to a good response and recovery effort. With a new hurricane season just a few months away, we urge you to begin working now to develop a comprehensive and cohesive housing strategy for disasters that are sure to come.

It is critical that the federal government remain committed to our promise to assist in rebuilding the lives of the Americans who survived perhaps the greatest natural disaster in our country's history. Nothing is more basic to that process than housing. In the wake of a catastrophe that devastated a major American

city and 90,000 square miles along the Gulf Coast, we cannot realistically expect an immediate return to normalcy. However, the federal government has the means to provide safe transitional housing more quickly and more efficiently than has thus far been the case to citizens who have been displaced.

We expect to hear soon how you intend to improve the transitional housing situation for Katrina survivors while developing a better disaster housing strategy for future disasters.

Sincerely,

Susan Collins Joseph I. Lieberman  
Chairman Ranking Member