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SENATOR COLLINS URGES ADMINISTRATION TO RECOUP MILLIONS OF DOLLARS PAID OUT IN IMPROPER PAYMENTS

Washington – U.S. Senator Susan Collins, Ranking Member of the Senate Homeland Security and Governmental Affairs Committee, today urged the Administration to take action in reclaiming the approximately \$643 million in improper disaster assistance payments the Federal Emergency Management Agency (FEMA) has made since Hurricanes Katrina and Rita in the fall of 2005.

A new report from the Department of Homeland Security Inspector General found that approximately 160,000 applicants received disaster relief funds from FEMA as a result of fraud, internal error, or lack of internal control and oversight.

In 2008, FEMA stopped recouping of all improper disaster assistance payments made to Katrina and Rita applicants until a new recovery process was in place. The IG report reveals that the revised procedure for debt collection has been completed, but not approved, for more than two years.

“The Administration must act now to reclaim these payments, beginning with approval of FEMA’s long-overdue plan for recovering improper payments. With millions of tax dollars at stake, inaction is simply not an option,” said Senator Collins.

Senator Collins has long been involved with Hurricane Katrina and Rita recovery efforts. She has worked to ensure needed support for victims while closely monitoring the use of taxpayer dollars.

Senator Collins also has led the effort to cut down on the amount of improper payments made by the federal government, which topped \$125 billion in fiscal year 2010, and to ensure that vigorous efforts are made to recover tax dollars following errors. To improve this process, Senator Collins joined Senators Carper, Coburn, McCaskill and McCain in introducing the Improper Payments Elimination and Recovery Act of 2010. This law, signed by the President in July of 2010, requires all federal agencies to proactively review and identify programs that could be susceptible to fraudulent claims, and take immediate action to recover any improper payments

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