

**Prepared Testimony of
Congressman Bennie G. Thompson (D-MS)**

**Hearing:
“Moving Mississippi Forward: Ongoing Progress and Remaining Problems”**

June 19, 2008 @ 10am

Committee on Transportation and Infrastructure - Subcommittee on Economic Development, Public Buildings, and Emergency Management

“Today I would like to discuss several issues related to the housing crisis along the Mississippi Gulf Coast, including the State of Mississippi’s use of disaster funds appropriated by this Congress.

Before I turn to Mississippi, I want to highlight the fact that FEMA has not produced the National Disaster Housing Strategy that was required by the Post-Katrina Reform Act of 2006. That plan was due in July of 2007. Hurricane season begins on June 1st of every year. In short, one hurricane season has passed and the second has begun, but FEMA has not completed the plan that explains its disaster housing strategy. I think some officials need to get their priorities in order.

But I do want to acknowledge that there is one bright light on the housing front. The Disaster Housing Assistance Program, otherwise known as D-HAP, has made some progress. D-HAP provides temporary rental assistance and case management support to individuals displaced by Hurricanes Katrina and Rita. While this program provides rental assistance for disaster victims, unfortunately the amount of assistance provided through D-HAP decreases each month. And on March 1, 2009, when the D-HAP eligibility period ends, the money will run out altogether for those people displaced by Katrina and Rita.

This program has benefited a few families and should be expanded and extended to mitigate the housing crunch being felt across the Gulf Coast. D-HAP is a step in the right direction, but more can—and should—be done. FEMA and the Department of Housing and Urban Development should *not* limit the number of families eligible for D-HAP assistance, they should improve incentives for landlords thereby increasing participation in the program, and Congress should act to extend D-HAP assistance past the original March 2009 deadline until the housing crisis on the Gulf Coast has subsided.

These displaced families and many others who want to return to Mississippi need our continued help. As of last Friday, there were still 5,741 Mississippi families living in FEMA provided temporary housing units. Of this total: about 4% are living on mobile home group sites, nearly 18% are living on commercially owned sites, and about 78% are living on private sites.

These families can be divided into two groups: the families who owned their homes prior to the storm and the families who rented their homes prior to the storm.

The families who owned their homes prior to the storm have faced some difficulties in hiring contractors, but this is the least of their concerns. As I’m sure Congressman Taylor will agree, the insurance companies left the Gulf Coast high and dry while residents struggled to rebuild. When Mississippi residents came home to a slab of concrete instead of their homes, I doubt they were concerned about whether it was wind or water that caused the devastation. Instead of focusing on rebuilding the coast, we were busy fighting the insurance companies who refused to own up to their responsibilities.

While many homeowners continue to struggle with the fight to rebuild, a second group of citizens are struggling to find someplace decent to live. These are the families who rented their homes prior to the storm. My concern is that they are being treated like second class citizens. As I mentioned, there are 5,741 families still living in temporary housing units provided by FEMA, most of whom rented their homes prior to Katrina. Today, there are only about 1,500 rental properties available in the *entire state* of Mississippi. FEMA has agreed to pay landlords 150% of the fair market rent but that offer has not produced more housing stock. While we are concerned about housing development, we must also be certain not to displace those who are already living on the edge.

One of the major obstacles in providing housing for disaster victims has been the reluctance of Mississippi’s leaders to provide assistance to those who need it the most. In September of last year the Governor of Mississippi

stated that “housing is, and will continue to be, the most pressing issue facing Coastal recovery.” Despite that statement, the Governor requested permission from HUD to reprogram \$600 million intended for the construction of low and middle income housing for a port expansion project.

This reprogramming request occurred despite the fact that almost 6,000 families continue to live in temporary housing units. Remarkably, HUD granted this request.

I believe the subcommittee and our panel will be happy to learn that I, along with eleven other Members of the House, have sent a letter to the Appropriations Committee asking them to prevent the State from using these funds to expand the port. This is a question of priorities. Economic development is critical to the recovery of the coast, but how can the state justify moving forward when low and middle income families are being forced to move out-of-state because there are no locally based affordable housing options.

To date, in Mississippi, not a single rental unit has been constructed using the Community Development Block Grant funds that were intended to help low and middle income families. In fact, the Mississippi Development Authority’s final plan calls for restoring less than half of the rental units that existed prior to Katrina. But this is not the only time the State has misplaced its priorities.

The National Deficit and Reduction Act of 2005 provided Mississippi with \$700 million to help restore health care in the disaster area and provide the State with the ability to match Federal grants for hurricane relief. Somehow, these funds wound up going to the State’s general fund, where the Governor tried to use them to raise judicial salaries.

To make matters worse, the Governor diverted additional hurricane relief funds to improve a highway in north Mississippi that leads to a Toyota plant. It is difficult to convince the nearly 300 families in Mississippi who are calling a hotel or motel “home” and over 5,000 more who are still living in temporary housing units that the government cares about their housing needs. It’s especially difficult when they are witnessing the Governor divert recovery funds to expand a port, raise judicial salaries, and build roads to a Toyota plant in north Mississippi.

It is a question of priorities. Apparently providing affordable housing solutions to the victims of Hurricane Katrina is not high on some priority lists.

But it remains a priority for me—as a Mississippian, as a Member of Congress and as the Chairman of the Homeland Security Committee.

Two weeks ago, the Committee on Homeland Security along with the Financial Services Committee held a joint hearing to examine the Federal Government’s role in providing affordable housing to disaster victims in the wake of catastrophes. This hearing resulted in the drafting of H.R. 6276, the Public Housing Disaster Relief Act of 2008 that I cosponsored with Congressman Childers and Congressman Cazayoux from Louisiana. I am happy to report that the measure passed overwhelmingly in the House yesterday. However, our concern about housing must look to the future and also consider the past.

We must hold Federal agencies accountable for their mistakes, especially when their mistakes endanger the health of disaster victims.

I have held several hearings exploring the high levels of formaldehyde in FEMA supplied travel trailers. As we move forward, we have to make sure that we provide health care for those that FEMA may have put in danger. That is why Congressman Barrow from Georgia and I introduced the Travel Trailer Health Registry Act. This important piece of legislation will require FEMA to work with the Centers for Disease Control and Prevention to create a health registry of those who lived in travel trailers, provide health screenings to these individuals, and track their health status as we move into the future.

As we move forward, I pledge to work with any and all Members of Congress who share my priorities--to hold FEMA and HUD accountable and rebuild the Gulf Coast.”

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