

Opening Statement of
Chairman Mary L. Landrieu
Subcommittee on Disaster Recovery
April 12, 2007

URGENT - WEATHER MESSAGE
NATIONAL WEATHER SERVICE NEW ORLEANS LA
1011 AM CDT SUN AUG 28 2005

...DEVASTATING DAMAGE EXPECTED....HURRICANE KATRINA...A MOST POWERFUL HURRICANE WITH UNPRECEDENTED STRENGTH...RIVALING THE INTENSITY OF HURRICANE CAMILLE OF 1969.

MOST OF THE AREA WILL BE UNINHABITABLE FOR WEEKS...PERHAPS LONGER. AT LEAST ONE HALF OF WELL CONSTRUCTED HOMES WILL HAVE ROOF AND WALL FAILURE. ALL GABLED ROOFS WILL FAIL...LEAVING THOSE HOMES SEVERELY DAMAGED OR DESTROYED.

THE MAJORITY OF INDUSTRIAL BUILDINGS WILL BECOME NON FUNCTIONAL. PARTIAL TO COMPLETE WALL AND ROOF FAILURE IS EXPECTED. ALL WOOD FRAMED LOW RISING APARTMENT BUILDINGS WILL BE DESTROYED. CONCRETE BLOCK LOW RISE APARTMENTS WILL SUSTAIN MAJOR DAMAGE...INCLUDING SOME WALL AND ROOF FAILURE.

HIGH RISE OFFICE AND APARTMENT BUILDINGS WILL SWAY DANGEROUSLY...A FEW TO THE POINT OF TOTAL COLLAPSE. ALL WINDOWS WILL BLOW OUT.

AIRBORNE DEBRIS WILL BE WIDESPREAD...AND MAY INCLUDE HEAVY ITEMS SUCH AS HOUSEHOLD APPLIANCES AND EVEN LIGHT VEHICLES. SPORT UTILITY VEHICLES AND LIGHT TRUCKS WILL BE MOVED. THE BLOWN DEBRIS WILL CREATE ADDITIONAL DESTRUCTION. PERSONS...PETS...AND LIVESTOCK EXPOSED TO THE WINDS WILL FACE CERTAIN DEATH IF STRUCK.

POWER OUTAGES WILL LAST FOR WEEKS...AS MOST POWER POLES WILL BE DOWN AND TRANSFORMERS DESTROYED. WATER SHORTAGES WILL MAKE HUMAN SUFFERING INCREDIBLE BY MODERN STANDARDS.

THE VAST MAJORITY OF NATIVE TREES WILL BE SNAPPED OR UPROOTED. ONLY THE HEARTIEST WILL REMAIN STANDING...BUT BE TOTALLY DEFOLIATED. FEW CROPS WILL REMAIN. LIVESTOCK LEFT EXPOSED TO THE WINDS WILL BE KILLED.

"We're eventually going to get a strong enough storm in a densely populated area to have a major disaster. I know people don't want to hear this, and I'm generally a very positive person, but we're setting ourselves up for this major disaster."

- Max Mayfield, January 3 2007 – upon resigning as head of the National Hurricane Center

Devastating damage....

Area uninhabitable for weeks...

Homes destroyed, wide-spread, long-term power outages, lack of water and shelter....

This all happened. And Hurricane Katrina wasn't even the storm it could have been. It could have been a true Category 5 – with winds over 155 miles per hour and storm surges over 18 feet – but thankfully, it weakened. However, the “big storm” is still waiting to happen. And it could happen. As Max Mayfield stated this January. There will be another major storm that hits and devastates one of our cities. This could happen. To New Orleans. To Houston. To Miami. To Charleston. To New York. And the question is - are we prepared? Did we learn from Hurricanes Katrina and Rita?

This is why Chairman Lieberman and I created this subcommittee – the subcommittee on Disaster Recovery. We created it for many reasons:

- To make sure that we are prepared.

- To establish safe and effective evacuation methods and routes.
- To make certain that we have a FEMA that works.
- To ensure that our citizens can fully recover their lives, their homes, their families, their communities, and their livelihoods.
- To prevent the loss of life that occurred.
- To protect the elderly, the disabled, those without means.

We intend to work hard on this committee. We have drafted an ambitious schedule in which we intend to oversee the recovery of the Gulf Coast from the hurricanes of 2005 - removing impediments to the recovery and eliminating the red tape that threatens to drown our people a second time. We intend to solve problems in this subcommittee and build a better FEMA. Today is the first of many hearings – hearings that will oversee the recovery at hand in the Gulf States and also look to the future to determine what must be done to recreate the most effective disaster response and recovery system possible. That is my charge, my commitment, and my responsibility—and you will find that I am very serious about it.

I would now like to officially bring to order this first hearing of the new Subcommittee on Disaster Recovery. I am absolutely thrilled to be joined by Senator Ted Stevens, the Ranking Member of this subcommittee, along with Senators Pete Domenici, Tom Carper, and Mark Pryor. I look forward to working with these wonderful colleagues of mine, all of whom, I know, share my dedication and passion for both the

current recovery efforts underway and the future preparedness of this country to handle a catastrophe.

If you look behind me, you will find three charts that illustrate the magnitude of three of our nation's most costly and deadly hurricanes. First, you see the damage of Camille, which at the time was a storm like none the country had experienced. Growing up on the Gulf Coast, I would often hear about Camille and the awesome power of that storm. This Category 5 hurricane took over 250 lives and cost nearly \$10 billion in damages, in 2005 dollar terms. The next extremely serious storm that most of us clearly remember is Hurricane Andrew, which was a \$38 billion storm in 2005 dollars, and devastated Homestead, Florida and the surrounding area.

Now please take a moment and just look at the startling image that is Katrina. If you look closely, the purple area is superimposed over the striped and solid blue areas which represent the impacts of Hurricanes Camille and Andrew. I saw this chart for the first time two days ago and my heart nearly stopped. This chart, is wonderful because at first glance, it looks like some kind of massive mistake - like the printer broke and the ink just splattered all over the page. But that's not the case. This is Katrina—and Katrina only—and does not mention Rita. This is the enormity of it all. This is the massive impact and rebuilding that we are dealing with. This illustrates the scale and the magnitude of this disaster and what we are now dealing with.

I want to draw the numbers out form this chart a bit more for everyone here to consider. 1,836 people perished in Katrina's murky floodwaters. 90,000 square miles of Gulf Coast land was devastated by Katrina, an area that dwarfs the land mass of Great Britain. 650,000 people were displaced. 275,000 homes were completely destroyed, more than 200,000 of which were in Louisiana. Thousands of renters lost their rental units. In Louisiana alone, a quarter of a million jobs were lost, 20,000 businesses were destroyed, billions and billions of dollars of property damage was incurred, and as you know, there were 22 levee breaks that filled the city with up to 20 feet of water in some places for six to eight weeks. These facts are well illustrated by the chart behind me.

This subcommittee has jurisdiction over the way we house victims during and after disasters. We also have responsibility over any and all long term recovery activities. Through this new subcommittee, we have an opportunity to make sure that what has taken place since Katrina never takes place in any other city, state, or region in this country. Through the Gulf Coast's misfortune, we have a shot a making a disaster recovery mechanism that provides federal, state, and local actors both the resources and the flexibility to rebuild in the aftermath of disaster efficiently and intelligently.

I would like to thank the three distinguished panels for making the trip to Capitol Hill; particularly those from Louisiana and Mississippi, who made the long journey during your hectic work week. I understand that every moment for you away from the recovery effort, is a moment that could have been spent making a difference. We

sincerely hope that your presence here will help guide this subcommittee towards improving our disaster recovery efforts.

At the request of Chairman Lieberman Joe Lieberman and Ranking Member Susan Collins, who have been steadfast and ardent advocates for the Gulf Coast beginning when the first winds of Katrina blew on until this very day, GAO has begun a series of reviews and reports on the progress of the Gulf Coast recovery. GAO has been asked to keep track of a variety of matters that deal with the recovery specifically, but also in a broader manner, the entire recovery effort. We are very grateful that GAO has taken on this, which is a massive and ever evolving task, and I am certain that our request will be broadened as we seek to find ways to further improve our mechanism.

I read GAO's testimony, and while I appreciate the effort, I am concerned. I am concerned because despite their hard work, there are significant questions as to whether the federal contribution truly meets the needs for the scale of a disaster, or rather, catastrophe caused by the 2005 hurricane season. There are a number of questions that need to be answered:

- 1) Are the funds appropriated by Congress adequate to fulfill the needs of the 90,000 square miles of devastation suffered by the Gulf Coast?
- 2) Is there a need for the Congress to appropriate more funds in the future to help rebuild? What processes are in place to assess the need for more funds and how are those needs communicated to the White House and the appropriators in Congress?

- 3) Do the damages and issues that we see so effectively illustrated on this chart warrant the waiver of the 10 percent public assistance match requirement—from here the answer is clearly yes?
- 4) Was using CBDG the right choice for this recovery? Were there enough CBDG funds distributed?
- 5) Does it make sense to deduct the money received from SBA loans and other forms of critically needed assistance from the CBDG funds provided to storm victims, when these dollars were meant to be a completely separate pot of assistance meant to bring our people back home and get our cities moving again?
- 6) Is enough being done for people who did not own their homes and our large renting population?
- 7) What are some of the differences between Mississippi and Louisiana's housing programs?
 - a. What are some of the pros and cons for both programs?
 - b. Is either state truly moving as quickly and effectively as they could be moving to get money out of the door and into the hands of storm victims?
 - c. How are both states taking care of renters and low income individuals through their CBDG funds?

These are questions that are left outstanding from GAO's preliminary work and if GAO cannot answer these questions now, I will ask my colleagues to join me in requesting that GAO delve further into the recovery to provide answers in the weeks to come.

I am pleased that once again the Federal Coordinator, Chairman Donald Powell has interrupted his schedule to join us. The Chairman has been very responsive to Congress, and his reputation for being truly concerned for the rebuilding and for truly caring about the people so gravely impacted by catastrophic aftermath of the hurricanes precedes him. Chairman Powell has a difficult position. As the Federal Coordinator, he is the liaison between the federal, state, and local actors participating in the recovery activities. GAO has praised the job the Chairman is doing, and I agree that he is working hard. However, I question whether the authority he was provided by the President is adequate for such a heavy responsibility and hope to hear from both GAO and the Chairman on whether they believe the role of the Federal Coordinator can be strengthened and most meaningfully used in the years to come

I am also interested to learn more about what the Chairman thinks are some of the challenges facing the recovery, both with regard to the CBDG programs and the Public Assistance programs that are being used to deliver vital recovery resources. What I hope will not happen is what happens all too often at these hearings, the federal coordinator comes and tell me everything is alright. Believe me, I know that everyone is working hard and doing their best—but everything is not perfect. For example, there are over 20,000 Public Works projects currently in different phases of being administered in the State of Louisiana, and state and localities throughout the Gulf Coast are finding that the original estimates for rebuilding were grossly understated by FEMA, I want the chairman to explain what is being done to ensure that the worksheets or updated so that the proper

amount of funds are provided for these projects. This is just one of a myriad of problems, and they all need answers.

I am equally interested to hear from the state and local panels made up of individuals from Mississippi and Louisiana. It is essential that we begin to foster a dialogue between the actors, which is something I hope to do, with the help of Senator Stevens. We need to hear from them what they're experiences have been up until this point. We need to hear what suggestions they have for the federal coordinator, and the coordinator needs to communicate his concerns to them. This hearing, through GAO's work, will provide an excellent overview of the many working parts of this recovery. However, a far more critical examination of these policies and programs must be undertaken before we can believe to rest comfortably assured that our efforts are the right efforts and are effective. While we did not intend for this hearing to get into the weeds of the different programs, we do hope that today we can paint a clear picture of what programs are in motion and where problems are apparent from the federal and state and local levels.

I am excited to begin the work and to lead this new subcommittee in its effort to look after the efforts being made to rebuild the lives of our fellow American citizens. With the help of Senator Stevens, we can make sure that we are adequately prepared to respond to a disaster or catastrophe – whether it occurs in Louisiana or Alaska, Seattle or Miami or any where else in this country. I would like to turn it over to the Ranking Member Senator Stevens for his opening statement.

