

**Senate Subcommittee on Disaster Recovery
September 23, 2008**

Madam Chair / Senators / thank you for the opportunity to speak about the impact of Hurricanes Gustav and Ike / and the performance of federal, state, and local agencies during these disasters.

I'm David Dewhurst / Lt. Governor of Texas / representing Texas/ and Governor Rick Perry, who was unable to be here today.

In hurricanes, the State of Texas plans for the worst and hopes for the best. We assume that every hurricane which enters the Gulf of Mexico makes landfall in Texas. Regarding Hurricane Gustav, tens of millions of dollars in Category B – Emergency Protective Measures were spent before we knew with certainty that Hurricane Gustav would make landfall in Louisiana, at which point we provided personnel, supplies and other resources to help our friends in Louisiana. Our attention almost immediately shifted to preparing for Hurricane Ike and we will provide to your subcommittee detailed cost estimates on Hurricane Gustav.

As you know / Hurricane Ike, which struck the Texas coast near Galveston less than two weeks ago / was one of the worst natural disasters in Texas history.

The area directly impacted by Hurricane Ike includes 22 Texas counties totaling nearly 20,000 square miles / an area larger than the states of Rhode Island, Delaware, Connecticut, and New Jersey combined, larger than the State of New York.

Before Hurricane Ike made landfall / the State of Texas/:

- **Evacuated 1.2 million people / including 12,500 individuals with special needs by ambulances and C-130s;**
- **Pre-positioned equipment, aircraft, supplies, and other assets which had to be moved over 300 miles as we followed the hurricane from Brownsville to Galveston and Beaumont and East Texas;**
- **Conducted the largest search and rescue operation in Texas history which saved more than 3540 lives. For the first time, Texas started flying search and rescue missions before hurricane landfall, in just one example rescuing 120 stranded people on Bolivar Peninsula.**
- **Supported 254 shelters across Texas / which at the height of the evacuation housed up to 40,000 people; and**
- **Coordinated the distribution of food, water, ice and medicine, at 60 Points Of Delivery (POD) sites throughout the affected area. Importantly, the PODs were intended for mass deployment into heavy impact areas, such as the cities of Galveston, Orange, Bridge City, and Chambers County and Southeast Harris County.**

Hurricane Ike made landfall in Texas as a Category 2 hurricane / with a Category 4 surge/ completely washing over low-lying communities such as Galveston and Orange.

The State of Texas has begun estimating the economic impact of Hurricane Ike / asking 770 cities and 22 counties in the storm's path / to submit cost estimates.

Due to the fact that most of the affected communities are still restoring basic services and cleanup efforts / we only have cost estimates from approximately 95 of these 770 cities.

Complicating this process is the fact that many city and county employees needed to assess storm-related damages / were among the 1.2 million people who evacuated.

What we have gathered so far on the economic impact of Hurricane Ike / and which we are providing you in the first preliminary schedule/ is approximately \$11.5 billion in direct costs to the State of Texas, the 22 affected counties and the 770 affected cities/ which we believe are eligible for reimbursement. The \$11.5 billion estimate does not include any damage estimates from the City of Galveston, which has yet to respond to State's request for information. As an example, Harris County – Houston, lost electricity to 97% of all customers, while Entergy Utility lost electricity to 100% of its customers.

We are providing you a second schedule showing the total economic impact to the State of Texas, with a breakout by county, totaling \$27.5 billion. Current estimates are that this number could increase to \$35 billion.

We will continue to refine these estimates as our local governments shift from restoring basic services / to assessing the damage caused by Hurricane Ike and forward you our best estimates within the next 15 days.

Madame Chair and Senators, Texas has been granted Category A, Debris Removal, 100% reimbursement for two weeks dating back to the

Disaster Declaration. That is insufficient time. Down debris is huge. I've seen the debris. Governor Perry and I were in Galveston and surveyed the affected area on Sunday/ one day after Ike hit Texas.

The down debris covers an area larger than the State of New York. Down debris reminds me of Katrina, with thousands of homes destroyed by 8 plus feet of water in the houses. Texas needs at least 60 days reimbursal at 100% beginning the date the contract is signed. Treat Texas equally on our damage as you did with Louisiana with Katrina.

I thank you for 100% reimbursal on Category B, Emergency Protective Measures, but we urgently need help with 100% reimbursal on:

Category C – Roads and Bridges

Category D – Water Control Facilities

Category E – Buildings and Equipment

Category F – Utilities, and

Category G – Parks, Recreational Facilities, and other items.

In the heavy impact areas/ thousands of buildings, most water treatment plants and delivery systems, sewage collection systems and treatment plants, and distribution lines, plus pumping plants have all been heavily damaged.

We urgently need help in Categories C – G.

On Individual Assistance reimbursals, Texas was granted 100% federal cost share for evacuees for 30 days.

Senators, 30 days is a real hardship. The city of Galveston with 57,000 inhabitants, the city of Orange with over 18,500 inhabitants, plus other heavy impact areas, are wiped out. Most homes and businesses have been damaged. Most electricity remains out. Most water and treatment facilities are damaged. Most sewage service and treatment facilities are down.

It is estimated to take up to 6 months to make Galveston, Orange and other heavy impact areas totally habitable. Texas respectfully asks that Individual Assistance be extended until the heavy impact areas are rebuilt and totally habitable. Again, treat us as Louisiana was afforded after Katrina.

Texas still has 14,000 evacuees in state-supported shelters, hotels and living night to night with friends and family. Tens of thousands of additional evacuees have moved to hotels, plus the homes of friends and relatives, and other locations.

We also have a critical shortage of housing for workers near the heavy impact areas. Some have recommended the state use stockpiled FEMA trailers, but/ Texas leadership won't accept tainted trailers, and I doubt our friends at FEMA would offer us tainted trailers.

In closing / I want to say a few words about our federal partners / local governments / and the many volunteer and charitable organizations who provided relief. And it is important to specifically point out the good work by the Red Cross and the Salvation Army. Although they have been hamstrung by natural disasters across the country, they have stepped up as a partner with Texas in helping those in the affected areas.

Although no disaster response is perfect / we try to use every occurrence as a learning experience / and along the way, we're getting better at saving lives, assisting victims, and rebuilding communities.

Our partners at FEMA are critical in this endeavor / and Governor Perry and I and our emergency management agencies are pleased with the level of cooperation we've received from FEMA.

While we understand that the State of Texas' role is that of a first-responder -- responsible for pre-planning, evacuation, positioning assets, and conducting search and rescue operations -- we also know that FEMA is best-equipped to lead the recovery process.

The State of Texas will continue to coordinate with FEMA / our other federal partners / and local governments / as we enter the recovery phase of this disaster.

We will rely on FEMA's expertise and, frankly, its resources / to help provide housing, disaster unemployment assistance, crisis counseling, Small Business Administration loans, and other individual assistance.

And finally / we will strive to improve the coordination between federal, state, and local agencies, / to protect our fellow citizens and restore their lives after the next disaster.

On behalf of the State of Texas, Governor Rick Perry and myself/ thank you for your concern / and the opportunity to speak with you today.