

# United States Senate

WASHINGTON, DC 20510-1804

November 28, 2012

The Honorable Barack Obama  
The White House  
1600 Pennsylvania Avenue NW  
Washington, DC 20500

Dear Mr. President:

Hurricane Sandy made landfall in the northeastern United States on October 29<sup>th</sup> as the largest storm system in the country's history and wrought widespread devastation upon the region. Millions of families lost power, heat, and running water, the storm destroyed over 300,000 homes and 200,000 businesses, and more than 100 people were killed. Damage estimates for the disaster exceed \$70 billion, and significant housing and transportation challenges remain.

You have declared a Presidential disaster in nine states thus far, spent considerable time visiting the affected area along with officials from your administration, and directed nearly \$2 billion in federal assistance to the region already. I am grateful for your effective leadership of our government's response to this catastrophic event. It is a marked improvement from the federal response to Hurricanes Katrina and Rita in 2005. I also appreciate your sustained support for the Gulf Coast's ongoing recovery efforts from Hurricanes Katrina, Rita, Gustav, and Ike, the Deepwater Horizon oil spill, the Mississippi River floods, Tropical Storm Lee, and Hurricane Isaac. In the aftermath of so many disasters, I have encountered numerous federal rules that obstruct recovery.

I understand that your administration plans to submit a request to the Congress for supplemental appropriations as a result of Hurricane Sandy. I support that initiative, and I have been a strong and vocal proponent of the need to enact supplemental disaster assistance legislation before the 112<sup>th</sup> Congress adjourns. Money is extremely important to recovery efforts, but so are sharper tools that promote smarter rebuilding and benefit survivors and taxpayers alike. With that in mind, I would like to share several examples of recovery tools that Gulf Coast leaders found useful in the aftermath of Katrina and Rita, which you might also consider for Hurricane Sandy.

First, we need to modify HUD's Community Development Block Grant program (CDBG) to serve as a Disaster Recovery Block Grant program (DRBG) instead, and provide flexible funding to affected states and communities for housing, infrastructure, economic development, community planning, and other unmet needs. It is important that funding be allocated to states and within states on the basis of damage, that funds may be used to fulfill federal matching requirements under other programs, that environmental reviews be expedited and not duplicated by multiple agencies for the same project, and that grantees have maximum flexibility to allocate funding for restoration and economic needs. Furthermore, we must allow

communities to use these funds to tackle problems that other agencies have statutory authority but no funding to address. There is no duplication of benefits or effort when other agencies are financially unable to assist, and it is important for federal officials to acknowledge that fact.

Second, we must streamline FEMA's Public Assistance program by providing grants for permanent work on the basis of estimates to jumpstart rebuilding, authorizing global settlements for groups of facilities that serve the same function to support holistic planning, eliminating the penalty on flexible reconstruction and alternate projects to improve resilience, and establishing arbitration procedures to resolve prolonged disputes over project eligibility and cost.

Third, we must eliminate the \$5 million cap on Community Disaster Loans. FEMA provides Community Disaster Loans under the Stafford Act to local governments that demonstrate a need for funding to sustain post-disaster operations, including trash pickup, fire and police protection, permitting, zoning, and other municipal functions. The \$5 million limit renders this program essentially useless to cities the size of New York or Newark that are struggling with increased operating costs and declining government revenues.

Fourth, FEMA's Public Assistance program should support temporary child care services in communities that have lost the capacity to provide them. Families should also be allowed to use FEMA Individual Assistance funds for disaster-related child care expenses so they provide for their children's needs by keeping them safe and focus on returning to work and rebuilding their homes.

And fifth, we should re-authorize the FEMA pilot program that expired in 2009 and allowed the agency to repair rental units and house disaster survivors when other options are not available or cost-effective. New York City has a shortage of vacant apartment units, and there are not enough private driveways or open spaces to accommodate traditional temporary housing solutions like mobile homes.

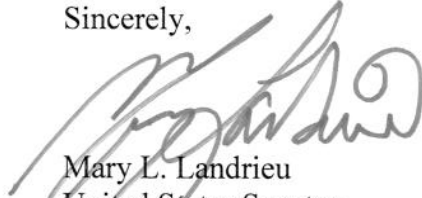
Unfortunately, many of these tools were created by legislation that limited their availability to the 2005 hurricanes. As a result, new legislation may be required to implement some of these reforms. There are many other good ideas circulating to improve federal recovery programs, and I would encourage you to seek additional input from leaders in the affected region. I would also encourage officials throughout your administration to be as creative and flexible as possible, and to implement their own policy improvements that promote recovery objectives and make government work for the thousands of people depending on it right now. Many of these ideas have been vetted by the White House Long-Term Disaster Recovery Working Group that was established during your first year in office, but which unfortunately failed to release any public recommendations or reform proposals.

Finally, I believe we should dedicate at least 5 percent of supplemental disaster funding to strategically selected, cost-effective infrastructure improvements that will prevent future catastrophes and mitigate taxpayers' exposure. That includes cutting-edge engineering solutions to prevent widespread flooding, transportation shutdowns, and watershed collapse. Our nation's gross underinvestment in flood protection is causing recurring and exorbitant cleanup and reconstruction costs. We have the engineering solutions to reverse this trend, but we need

focused political leadership and responsible budgetary resources at all levels of government in order to prevail.

Thank you for your continued leadership. I look forward to working with your administration to provide relief to our fellow citizens in need and to rebuild safer, stronger communities throughout the northeastern United States.

Sincerely,



Mary L. Landrieu  
United States Senator

Cc: Secretary Donovan, Department of Housing and Urban Development  
Secretary Napolitano, Department of Homeland Security  
Administrator Fugate, Federal Emergency Management Agency