



**EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503**

**THE DIRECTOR**

September 1, 2017

The Honorable Paul D. Ryan  
Speaker of the House of Representatives  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Speaker:

On Friday, August 25, 2017, at approximately 10:00 pm CDT, Hurricane Harvey made landfall as a Category 4 hurricane, striking the southeast coast of Texas and steadily moving toward the southwest and central parts of Louisiana. Prolonged high winds, storm surges, and torrential rains have contributed to unprecedented and widespread flooding that has upended the lives of residents and damaged more than 100,000 homes. As a result, to date, more than 43,500 people are in shelters and more than 436,000 households have registered with the Federal Emergency Management Agency (FEMA) for support for temporary rental assistance, hotel/motel costs, and essential home repairs to help restore their lives to normal as quickly as possible. Local businesses, schools, and public infrastructure have been damaged, and many families will soon need to regain stable housing, which has been difficult given the current situation. As you know, the Federal Government has an important role to play in supporting and assisting States and local communities as they respond to natural disasters of this magnitude.

At the direction of the President, and under the auspices of the National Response and Disaster Recovery Frameworks, numerous Federal agencies are coordinating and contributing resources and personnel (over 22,000 Federal workers) in response to the devastating effects of the storm. As the affected region continues to battle the flooding, the Administration believes additional Federal resources are necessary to continue to fund critical, and often life-saving, response and recovery missions.

At this time, the Administration requests an appropriation of \$7.85 billion in Federal resources for response and initial recovery efforts related to Hurricane Harvey. This amount includes \$7.4 billion for FEMA's Disaster Relief Fund (DRF), including funds to ensure FEMA is prepared for any additional disasters while continuing ongoing response and recovery efforts. It also includes \$450 million to support the Small Business Administration's disaster loan program to assist small businesses and homeowners. In addition to these emergency supplemental appropriations, in the event that the Congress enacts a fiscal year 2018 continuing resolution (CR), the Administration also supports authorizing FEMA to obligate funds in the DRF at an accelerated rate that would make up to \$6.7 billion available during the period of the CR. This authority would further support FEMA's response to Hurricane Harvey and other natural disasters that require Federal assistance, including the potential for near-term response needs during Atlantic Hurricane season.

These additional Federal resources would enable the affected States to address disaster response and immediate recovery needs in the areas most affected by Hurricane Harvey. These funds would be used to continue life-saving response and recovery missions; begin to address housing repair costs unmet by insurance; and provide low-interest loans to businesses and homeowners. Because the need for this funding arises from an unforeseen, unanticipated event resulting in the loss of life and property, these resources should be provided as emergency funding.

As you know, authorization of the National Flood Insurance Program expires on September 30, 2017. The Administration will work closely with the Congress to reauthorize the program and implement reforms that can garner bipartisan support. FEMA is working diligently to assess the fiscal position of the program to ensure that all claims are paid in a timely manner. The Administration will follow up regarding any needs for this program.

The President visited Texas on August 29, 2017 to reassure the people of Texas that the Federal Government would help them rebuild from the catastrophic flooding and damage to the affected communities. During the visit, the President emphasized that he is prepared to work with the Congress to ensure that people affected by Hurricane Harvey receive the resources they need to respond and recover as quickly as possible. This request is a down-payment on the President's commitment to help affected States recover from the storm, and future requests will address longer-term rebuilding needs.

Finally, we must recognize that the debt ceiling could, unless modified, affect critical response and recovery efforts related to Hurricane Harvey. As Treasury Secretary Mnuchin has said, it is critical that the Congress raise the debt ceiling by September 29, 2017. Given the need for additional spending as a result of disaster response and initial recovery from Hurricane Harvey, the Administration continues to urge the Congress to act expeditiously to ensure that the debt ceiling does not affect these critical response and recovery efforts. Indeed, if the debt ceiling is not raised, it may not be possible to outlay the requested supplemental appropriations or funds for other critical Government operations.

Thank you for your consideration of these funding needs. I urge the Congress to take swift action to provide the additional funding requested to address Hurricane Harvey's unmet response-related and other critical needs. I stand ready to work with you to achieve this goal.

Sincerely,



Mick Mulvaney  
Director

Identical Letter Sent to The Honorable Michael R. Pence, The Honorable Mitch McConnell,  
The Honorable Charles E. Schumer, The Honorable Nancy Pelosi,  
The Honorable Rodney Frelinghuysen, and The Honorable Thad Cochran