



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

THE DIRECTOR

September 13, 2016

The Honorable Hal Rogers
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Flooding in the State of Louisiana this year has upended the lives of residents and damaged tens of thousands of homes. As a result, more than 140,000 people have registered with the Federal Emergency Management Agency (FEMA) for support for temporary rental assistance, essential home repairs, and general support to restore their lives to normal as quickly as possible. Local businesses, schools, and public infrastructure have been damaged, and many families are trying to regain stable housing, including those who already were homeless in the area before the storm. 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, the Federal Government has been actively involved in the response and recovery efforts in Louisiana. The Federal Government is doing everything it can jointly with the State of Louisiana to ensure that all available resources are in place as quickly as possible. As such, Federal agencies have provided Louisiana disaster survivors and communities with more than \$1 billion in aid following the August 14th disaster declaration. This total includes:

- \$616 million in support for more than 73,000 Louisiana families who are receiving assistance through one or more of the housing options available to them, including rental assistance, home repairs, hotel and motel stays, and other housing; and
- \$312 million in total payments to more than 28,700 flood insurance policyholders who sustained damages and have filed a claim.

In addition, last week, the President amended the Federal disaster declaration for the August flooding to increase the Federal share of public assistance from 75 percent to 90 percent of the total eligible costs.

President Obama visited Louisiana on August 23rd and saw firsthand the damage from these historic floods. The August floods were the most extensive single disaster event since Hurricane Sandy in 2012. During this visit, the President emphasized that he was prepared to work with Governor Edwards and the Congress to ensure that Louisianans get the resources they need to recover. Since then, damage assessments conducted by FEMA and the Department of Housing and Urban Development (HUD) show that—even with their current emergency efforts—there will be significant unmet need for repairs in the region. The Administration has also received letters from the Governor of Louisiana and the Louisiana congressional delegation highlighting the need for additional resources to help communities rebuild after the flood.

The Administration urges the Congress to provide additional funding to address Louisiana's unmet housing and infrastructure needs as soon as possible. The damage assessments conducted by HUD and FEMA indicate that \$2.6 billion in additional Federal resources is needed for the Community Development Block Grant (CDBG) program at HUD. Because the need for this funding arises from an unforeseen, unanticipated event resulting in the loss of life and property, these additional resources should be provided as emergency funding.

CDBG funding would provide flexibility to Louisiana to address disaster recovery needs in areas most impacted by this year's flooding. CDBG grantees use funds to design and carry out recovery and mitigation programs to address needs not met by other sources, including Federal agencies. These funds can be used to address: housing repair or replacement costs unmet by insurance, FEMA individual assistance, or Small Business Administration (SBA) disaster loans; unmet repair needs of small businesses (as defined by SBA regulations) that are underinsured and/or ineligible for SBA loans; public infrastructure investments; the State or local cost share required for other Federal programs; and other affordable housing and community development projects in low- and moderate-income neighborhoods.

This funding also would support resilient rebuilding and reduce future risks and vulnerabilities. Grantees could use these funds to design and implement measures to reduce the risk of damage and loss from future disaster events. Such measures could include elevating housing in the mapped flood zone or augmenting large local and regional infrastructure and recovery projects in a way that addresses the needs for long-term recovery and greatly increases a community's resilience to both current and future challenges. Investments in designing and rebuilding for the future would support the effective use of public resources invested in the recovery effort and help revitalize the health, social, economic, and environmental fabric of communities impacted by recent disasters.

Finally, we are prepared to work with the Congress to address the unmet needs of other States and localities that have experienced natural disasters and other catastrophic events, including Flint, Michigan.

Thank you for your consideration of these funding needs. I urge the Congress to take swift action to provide Louisiana and other communities with the resources needed to help those impacted by natural disasters and other catastrophic events. I stand ready to work with you to achieve this goal.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Shaun Donovan', with a long horizontal flourish extending to the right.

Shaun Donovan
Director

Identical Letter Sent to:

The Honorable Nita M. Lowey
The Honorable Barbara A. Mikulski
The Honorable Thad Cochran
The Honorable Nancy Pelosi
The Honorable Harry Reid
The Honorable Mitch McConnell
The Honorable Paul D. Ryan