

April 26, 2017

The Honorable Thad Cochran Chairman Committee on Appropriations U.S. Senate Room S-128, The Capitol Washington D.C. 20510

The Honorable Patrick Leahy Vice Chairman Committee on Appropriations U.S. Senate Room S-128, The Capitol Washington, D.C. 20510 The Honorable Rodney P. Frelinghuysen Chairman Committee on Appropriations U.S. House of Representatives Room H-305, The Capitol Washington, D.C. 20515

The Honorable Nita M. Lowey Ranking Member Committee on Appropriations U.S. House of Representatives H-305, The Capitol Washington, D.C. 20515

Dear Chairmen Cochran and Frelinghuysen, Vice-Chairman Leahy, Ranking Member Lowey:

As Governors of five states hit with catastrophic disasters within the last year, we write to request the inclusion of disaster relief funding in the upcoming Continuing Resolution to be considered by Congress. There is an urgent need to provide relief for the families and individuals who have been impacted and the help of the federal government is critical.

In 2016, Louisiana was hit by two historic floods in March and August. Together, they represent the fourth most costly flood event in U.S. history. In that same year, 56 of Louisiana's 64 Louisiana parishes received federal disaster declarations, comprising more than 85% of our state's population. The floods had an estimated \$8.7 billion in total economic impact on the state.

To date, Congress has appropriated more than \$1.6 billion in Community Development Block Grant (CDBG) funding for Louisiana. However, Louisiana remains \$2.08 billion short of our total request for \$3.7 billion in federal recovery assistance, according to estimates from the U.S. Department of Housing and Urban Development (HUD). On April 10, 2017, Louisiana received access to these funds.

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However, while New York received a total of \$69,463 for each home with FEMA Verified Loss (FVL) after Superstorm Sandy, and New Jersey received \$50,988 per home with FVL, Louisiana has so far been appropriated only \$14,794 per home, based on the assumption that 112,000 households were devastated in the 2016 floods). (See attached Comparison and Resources Requested budget). With these appropriated funds, Louisiana has implemented a federally-approved Action Plan to assist 36,500 homeowners who had major damage and no flood insurance resources. Yet, we do not have the resources to assist all of the 112,000 families who flooded, the renters who were displaced, the small business owners rebuilding or local governments struggling to rebuild their revenue stream.

The state of South Carolina suffered from consecutive natural disasters over the past two years, a historic flood caused by the 2015 Severe Storm and Hurricane Matthew in 2016, that left homes devastated across the state. The total impact of the storms on the state exceeded \$2.13 billion and led to major disaster declarations for 39 of the state's 46 counties. Most concerning is that 16 of South Carolina's most vulnerable counties sustained substantial damage from both of these disasters, impairing their ability successfully recover.

Between the two disasters, South Carolina received \$222 million in Congressional appropriations through the Community Development Block Grant Disaster Recovery Program (CDBG-DR). Recognizing housing as the state's greatest need, South Carolina has committed all of its funding to this purpose, which will allow the state to serve approximately 2,346 families by providing safe and secure homes through replacement or renovation. While the federal funding has had a considerable impact on families across the state, it will also leave over 2,700 low to moderate income families without disaster relief. South Carolina requests additional federal assistance for disaster victims in the amounts of \$150 million for the 2015 Severe Storm and \$70 million for Hurricane Matthew to meet the housing needs of these remaining citizens which have sustained the greatest damage and are most in need of assistance.

In North Carolina in October, 2016, Hurricane Matthew devastated entire communities with rain and overflowing rivers, some of which rose to near 1,000-year flood levels. The storms' devastation damaged more than 98,000 homes, over 19,000 businesses, hundreds of roads and dozens of dams, sensitive ecosystems, and thousands of acres of crops and other agricultural resources. As of April 2017, the state estimates an overall funding requirement of \$2.8 billion to support the recovery from Hurricane Matthew in addition to the estimated \$2.0 billion in economic losses to business and industry.

After securing \$332,003,600 following North Carolina's first Congressional request in 2016, and \$751,938,424 from Stafford Act recovery programs, North Carolina has requested \$929,403,686 in supplemental funding. As North Carolina continues to work closely with HUD on the approval and implementation of our Action Plan for the 2016 appropriation, this subsequent appropriation will provide the opportunity for the state to fully respond to these most urgent needs to rebuild and recover homes, businesses and communities from Hurricane Mathew.

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In Georgia, residents across the state suffered the devastating impacts of two presidentially declared federal disasters within just three weeks of each other, following two catastrophic storm systems that hit the southern parts of the state on January 2nd and 22nd of this year. These two storms ripped through neighborhoods, schools, and businesses, leaving a path of destruction in their wake, devastating municipal utility infrastructure, and affecting thousands of families. Though some communities are still in the process of evaluating the overall impact of these disasters, it is clear that these disasters have caused billions of dollars in damage across the state.

Following insurance and FEMA assistance, the unmet financial need for the region amounts to \$200 million. Specifically, the remaining need is as follows: \$100 million for Dougherty County; \$25.8 million for Crisp County; \$21.2 million for Turner County; \$17.1 million for Cook County; \$16.1 million for Worth County; \$12.3 million for Thomas County; \$4.7 million for Wilcox County; and \$2.8 million for Berrien County.

In June 2016, West Virginia suffered a 1000 year flood. The flood resulted in federal disaster declarations in 20% of West Virginia's 55 counties including destruction to housing, infrastructure and agriculture while also resulting in 23 lost lives. Yet, West Virginia only received \$104,280,000 which will only be able to serve approximately 1,000 of the most damaged and vulnerable housing units and will not be able to provide assistance to its economic or infrastructure sectors.

The methodology used to determine the housing unmet needs calculation did not account for the most distressed populations in West Virginia. Only housing units determined to be "seriously damaged" were included in the initial calculation. Thus, 80% of the affected owner-occupied population or approximately 4,000 units were not counted in the calculation and remain in need of housing assistance stemming from the 2016 disaster. Moreover, only 10% of all damaged housing units in West Virginia had flood insurance at the time of the disaster.

A final critical factor impacting the true unmet needs of West Virginia is the current state of its economy. Given the downturn of the coal industry, both its residents and business citizens are unable to service additional debt. This economic hardship prevented more than 1,300 businesses from being included in West Virginia's unmet need calculation.

Although West Virginia received more than \$104 million, its remaining unmet recovery needs total more than \$461 million: Housing unmet needs total \$295,493,724; Infrastructure unmet recovery needs total more than \$41 million; and, Economic Revitalization needs total more than \$132,785,000. The 1,000-year flood was cruel in its path destroying communities most vulnerable to a disaster of this scale with no resources to recover due to economic hardships.

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For families and communities across this country working to rebuild from these disasters, the recovery timeline does not wait for congressional appropriations or the federal funding process. In each of our states, our people need your assistance today. For the sake of disaster survivors across this country, we respectfully request that you include this critical funding in the upcoming Continuing Resolution.

Should you have any additional questions, please do not hesitate to contact our offices.

With kindest personal regards,

John Bel Edwards

Governor

State of Louisiana

Nathan Deal Governor

State of Georgia

Roy Cooper Governor

State of North Carolina

They looper

Henry McMaster

Governor

State of South Carolina

Jim Justice Governor

State of West Virginia

cc: Mick Mulvaney, Director of Office of Management and Budget

The Honorable Paul Ryan, Speaker of the House

The Honorable Nancy Pelosi, Democratic Leader

The Honorable Mitch McConnell, Senate Majority Leader

The Honorable Chuck Schumer, Senate Democratic Leader

Louisiana Congressional Delegation

West Virginia Congressional Delegation

North Carolina Congressional Delegation

South Carolina Congressional Delegation

Georgia Congressional Delegation