Testimony to the
House of Representatives
Subcommittee on Economic Development, Public Buildings and Emergency Management
by
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Madame Chair and members of the Committee, my name is Les Sterman and I am Executive Director of the East-West Gateway Council of Governments, a partnership of local governments in the St. Louis, Missouri-Illinois metropolitan region. Thank you for inviting me to talk to you about a subject that is critically important to the citizens and businesses of our region.

The St. Louis region is at the confluence of the Mississippi and Missouri rivers. A large portion of our region's land area is protected by levees and other flood control facilities, some of which have been in place since the 1920's. Entire communities owe their existence and prosperity to these great rivers and the protection from flooding that we have carefully built. About half a million people live in the Illinois portion of our region, and we now know that about 150,000 of them are in imminent economic and physical peril. About 4,000 businesses will find themselves in the same unenviable position. In short, the future of a very large portion of our region is now in jeopardy.

Last August 15, Congressman Costello hosted a "levee summit" in our area so that public officials could hear from the Corps of Engineers and the Federal Emergency Management Agency about the impending effects of the National Flood Plain Remapping Program on our region. Corps representatives revealed for the very first time that they could not recertify that the levees along the Mississippi River in Illinois would withstand a 100-year flood event. This would mean that the entire area known as the American Bottom would be remapped as a "special flood hazard area" and would, for the purposes of flood insurance, be considered at high risk of flooding. Population centers like the City of East St. Louis and industrial communities like Granite City and Wood River would be at risk.

Like many older industrial cities, St. Louis has struggled to regain its economic footing in recent years. In Illinois, we are experiencing an economic rebirth through reinvestment in manufacturing facilities and brand new investments in transportation and distribution businesses. This new real economic growth, which has local and national significance, could now be stillborn. Long-awaited, but now imminent expansion of industries like U.S. Steel and Conoco-Phillips, worth literally billions of dollars in actual construction, is now on hold. New development has simply stopped dead in the American Bottom.

Perhaps most troubling, the American Bottom is home to some of the poorest and most physically and economically vulnerable citizens in our region. For most of them, flood insurance is not a realistic option at any price, and without flood insurance they will be unable to get a mortgage, unable to buy or sell a home, and unable to recover from a catastrophic loss from a

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flood. While we are reaching out to these citizens, it is very hard to know what useful advice the federal government or we might give them.

Let me assure you that we take these actions by FEMA and the Corps very, very seriously. Since August 15 we have mobilized our local governments, who are very quickly taking unprecedented, cooperative steps to rebuild our flood control systems along the Mississippi River. Legislation was introduced just last week to impose a sales tax in three Illinois counties to raise as much as $180 million for these repairs. We are meeting constantly with the Corps and the four levee districts that are responsible for building and maintaining levees. We have held a number of large meetings with local officials, citizens and businesses to help them prepare for the consequences of remapping. Our goal is to rebuild our flood control systems in five years or less, an enormously challenging job, but one that simply must be done.

At the same time as we are pulling together to protect our citizens and our economy, we are troubled by a number of serious concerns about how this situation has unfolded and the future participation of the federal government in helping us rebuild.

1. While the remapping process has been underway for some time, the revelation of the levee deficiencies was both sudden and shocking to local officials in our area. Apparently, conversations with FEMA have been taking place, but in a relatively obscure way, so that nobody in responsible authority knew the implications of remapping. Further, the Corps' findings that trigger the dire consequences for us were only first known by FEMA a few days before our August 15 meeting. Public officials want to do the right things to protect the safety and livelihood of their citizens, but to ask them to fix a $180 million problem in less than a year, especially one they didn't even know about, is not reasonable.

2. The same system of levees, flood gates, relief wells and other facilities withstood historic floods in 1993 and again in 1995. The magnitude of these floods far exceeded the 100-year flood that is now used as the standard for certification in the remapping process. To fend off the rising waters, our levee districts used floodfighting techniques that they have used for 80 years. They sandbagged around sandboils, piled soil and rock behind floodgates, and generally used well-practiced and accepted methods to protect the integrity of the flood control system. The standards now used by FEMA no longer account for floodflighting measures as offering any measure of protection. This one simple, and possibly unnecessary, change of rules has led directly to the result that is creating a crisis in so many communities along rivers in this country.

3. The levees in our area are "federal" levees. They were built by the federal government and maintained by local governments. The rebuilding effort could be aided, under current law, by federal funding of between 65% and 100% of construction costs. This may be an empty promise, however. The need is so great, and the federal budget so stressed, that it would take years, if ever, before we received sufficient funding to rebuild, and during that time our citizens would be at risk and our economy under water. There is a clear national interest in flood protection, but the federal government is *de facto* abandoning its responsibility under the law.

4. The manner in which the remapping process is unfolding across the country leads to some irrational and very unfair outcomes. Our area, for example, is bisected into two FEMA regions, which are proceeding along different schedules in the remapping process. The remapping in Missouri is as much as three years behind that in Illinois. The citizens of Illinois, who will suffer truly draconian outcomes from this process, will look a couple of hundred feet across the Mississippi River at their counterparts in Missouri, who will suffer no such outcomes. This is a federal process and it should be applied to all of our citizens equally, especially where they live as neighbors. Congressman Costello sponsored an amendment to the National Flood Insurance Reform and Modernization act (H.R. 3121/S. 2284) that rectifies this injustice. The bill passed the House and is now pending in the Senate. We strongly urge its passage with the Costello amendment included.

Like FEMA, we absolutely believe that we have the important responsibility to make our citizens aware of flood risks. Hurricane Katrina taught us that lesson. At the same time, however, we have to work together in a responsible way to reduce those risks, without compounding the problem by putting people and entire industries in immediate economic jeopardy. We don't ever want to create a situation where well intended, but man-made, government action is creating hardship every bit as threatening as the acts of God that we want to protect against.

Thank you for the opportunity to testify. I would be pleased to respond to any questions from you or other Members of the Subcommittee.