Statement of Congressman Dave Loebsack

Before the Subcommittee on Economic Development, Public Buildings, and Emergency Management

Committee on Transportation and Infrastructure

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I want to thank Chairwoman Norton, Ranking Member Diaz-Balart, Members of the Subcommittee, and staff for giving me the opportunity to testify today. I represent the 2nd District of Iowa, which had the largest amount of damage in the Midwest from the devastating Floods of 2008.

These floods were severe. Many of our communities saw waters rise well beyond the "500 year" flood level. In Iowa, 85 of 99 counties were presidentially declared disaster areas, representing 85 percent of the entire state, the worst in our state's history. Some of the hardest hit areas in my district were Cedar Rapids, Iowa City, Coralville, Columbus Junction, and Oakville.

It is estimated Cedar Rapids has nearly $5.6 billion in recovery needs. With this in mind, consider then, that around $3 billion has been allocated to the entire State of Iowa for disaster recovery, which includes a large amount of state funds, even though damage statewide early-on was estimated around $10 billion. When considering what constitutes a catastrophic disaster, one indicator which may be useful to consider would be damage estimates relative to community or state budgets and resources.

The State of Iowa had receipts for FY09 of around $6.9 billion compared to the estimated $10 billion in damage statewide, and the City of Cedar Rapids had a budget for FY09 of nearly $380 million compared with around $5.6 billion in needs. To further bring the magnitude of this disaster into perspective, when calculating estimated damage through FEMA's Public Assistance program, the Iowa floods alone rank as the 5th largest disaster in US history.

FEMA was not our only source of assistance. Many federal programs, departments, or agencies were mobilized and utilized during and after our disaster. I want to take a few moments to talk about just a few of the waivers, extensions, and changes to current law we had to work to put in place:

- FEMA agreed to lower the local cost share to 10% for all Public Assistance categories, and waived the cost share completely for others.

- In addition, the application periods for FEMA's Individual Assistance, Disaster Unemployment Assistance, and Public Assistance were extended, and numerous other waivers were granted through various federal departments or agencies.

I also worked with my colleagues in the last Congress to pass two supplemental disaster relief appropriations bills. The largest amount of these funds allocated to Iowa--$800 million--comes from the Community Development Block Grant Program through HUD.

The amount of waivers and extensions needed to effectively utilize FEMA's recovery programs add levels of bureaucracy, and delay, to efficient recovery. In addition, the funding we obtained outside of FEMA and the Stafford Act has taken a year to be allocated to the state and has required various waivers, and will require many more, for the funding to be fully effective.

It is my understanding the effective use of CDBG funds after Hurricane Katrina continues to be an issue as well. CDBG funds are not traditionally used for disaster relief, and therefore not ideally suited to be flexible enough to meet the immediate post-disaster recovery needs of states and communities.

HUD Secretary Donovan stated during a visit to my district that the State of Iowa and the City of Cedar Rapids are models for efficiently utilizing CDBG funds for disaster recovery. I am proud of that distinction, but I wonder why, at this point, is the federal government still looking for models of efficiency? I know it has not been an easy journey for my district, and the journey is far from over.

The federal government's policies and programs for responding to major and catastrophic disasters are wide-spread, confusing, sometimes slow-moving, and often not tailored specifically for disaster recovery. I truly believe significant reforms are needed for Iowa and other disaster-affected states across the country. We must look closely and carefully at reform.

Thank you again for the opportunity to testify today and I look forward to working with you and our colleagues in Congress to address some of these issues before we are faced with another major or catastrophic disaster.