



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

THE DIRECTOR

November 21, 2016

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Congresswoman Pelosi:

I am writing to follow-up on my letter to you dated September 13, 2016 regarding funding to respond to flooding in the State of Louisiana earlier this year. In my letter, I called on the Congress to provide resources needed for the Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) program to help communities in Louisiana rebuild after the flood. The Administration appreciates the down payment the Congress provided to assist these communities in the FY 2017 Continuing Resolution (Public Law 114-223). While these resources enabled the Administration to help impacted communities begin their long recovery process, this funding is insufficient to adequately address the needs in Louisiana, where over 150,000 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. Other communities, such as those in Texas and West Virginia, also have significant needs that were not fully addressed.

As you are aware, since my letter and the Congress's subsequent action, the nation has experienced another major natural disaster. In October, Hurricane Matthew caused significant damage along the southeastern coast of the country, especially in North Carolina, South Carolina, and Florida. Like the flooding in Louisiana and elsewhere, Hurricane Matthew has upended the lives of residents and damaged tens of thousands of homes across these States. Across five states, more than 170,000 people have registered with FEMA for support to find safe shelter and begin to repair their homes and rebuild their lives. As you know, the Federal Government has an important role to play in supporting and assisting States and local communities that become overwhelmed as they respond to natural disasters of this magnitude.

However, as in Louisiana, Texas, and West Virginia, significant unmet funding needs remain in the States most affected by Hurricane Matthew. In addition to the funding provided in Public Law 114-223, HUD estimates that \$3.15 billion in additional Community Development Block Grant funds are necessary to fund recovery and mitigation efforts in the areas most impacted by major disasters in these States. This CDBG funding would help address housing repair or replacement needs unmet by insurance, FEMA individual assistance, or Small Business Administration disaster loans; unmet repair needs of small businesses; and public infrastructure needs. This additional funding would also allow these hard-hit communities to build back

smarter, increasing their resilience and reducing risks to future disasters and vulnerabilities. As the Congress works to finalize action on the end of year spending bill, I urge the Congress to include the resources needed to support rebuilding efforts in the communities that have experienced natural disasters. At the same time, I urge the Congress to honor its commitment to provide resources to assist the people of Flint, Michigan as they continue to respond to the city's water crisis.

The entire Administration, and in particular the staff at HUD, FEMA, OMB, and other Federal agencies involved in supporting response efforts, stand ready to continue providing any technical assistance you may need to address these urgent funding concerns.

Thank you for your attention to this urgent matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Shaun Donovan".

Shaun Donovan
Director

Identical Letter Sent to:

The Honorable Hal Rogers
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