

**THE ROLE OF THE DEPARTMENT OF
HOMELAND SECURITY IN GULF COAST
REBUILDING AND RECOVERY EFFORTS**

FULL HEARING
OF THE
COMMITTEE ON HOMELAND SECURITY
HOUSE OF REPRESENTATIVES
ONE HUNDRED TENTH CONGRESS

FIRST SESSION

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THE ROLE OF THE DEPARTMENT OF HOMELAND SECURITY IN GULF COAST REBUILDING AND RECOVERY EFFORTS

Tuesday, May 22, 2007

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
Washington, DC.

The committee met, pursuant to call, at 10:10 a.m., in room 311, Cannon House Office Building, Hon. Bennie G. Thompson [chairman of the committee] presiding.

Present: Representatives Thompson, DeFazio, Lowey, Jackson Lee, Christensen, Etheridge, Carney, Clarke, Green, Perlmutter, King, Lungren, Jindal, Reichert, McCaul, Dent and Brown-Waite.

Chairman THOMPSON. The committee is meeting today to receive testimony on the role of Department of Homeland Security in the gulf coast rebuilding and recovery efforts.

We are quickly approaching the 2-year anniversary of the Hurricane Katrina, and it has been over a year since Congress authorized the bulk of its rebuilding aid for the region. The status of the affected gulf coast region is not encouraging. More than 350,000 homes were destroyed and another 140,000 or so sustained major damage, primarily in Alabama, Louisiana, and Mississippi. By one estimate, more than a million homes were damaged in Katrina, Rita, and Wilma.

In New Orleans alone, the U.S. Corps of Engineers executed an average of 360 residential demolitions a month in 2006 but, in 2007, to date is still executing an average of 150 a month. As of July 1, 2006, the U.S. Bureau of Census estimated only that about three-quarters of the pre-storm population has been restored to the New Orleans metropolitan region. School enrollment has continued to be far below storm levels. Public transportation recovery has been limited, with less than half of all routes open in New Orleans and less than one in five pre-Katrina busses operational. The labor force is only three-quarters of pre-storm levels in the New Orleans metro area.

Many problems remain in the region, and for that reason, there is much work left to be done.

The Federal Government's response to Katrina varied. The Federal Emergency Management Agency provided housing, rentals and trailers to more than 700,000 persons, though only one-fifth of the trailers requested by Orleans Parish was provided. FEMA also furnished hotel rooms through February 7th, 2006, for some of the new homeless.

In early September of 2005, Congress authorized 62,000 and \$3 billion for Katrina and Rita victim assistance.

There have been numerous and bitter criticisms of the Federal response. In one of the most sobering ones, the Government Accountability Office said that Federal programs were in some ways flexible but sometimes not well coordinated and were not well coordinated with State governments.

Non-governmental organizations responded promptly to citizens impacted by Katrina. The American Red Cross, Southern Baptist Convention, Salvation Army, Common Ground Collective and a number of others provided victims with food and water, raising more than \$4 billion in donations from the public.

There are a number of other people who have participated in that, and so we will continue to include them in the record, but we have a number of witnesses here today who will give testimony to what is happening in the area. I am confident that they will share with us their experience and look forward to their testimony.

PREPARED STATEMENT OF THE HONORABLE BENNIE G. THOMPSON, CHAIRMAN,
COMMITTEE ON HOMELAND SECURITY

We are quickly approaching the tow year anniversary of Hurricane Katrina and it has been over a year since Congress authorized the bulk of its rebuilding aid for the region.

The status of the affected Gulf Coast region is not encouraging. More than 350,000 homes were destroyed, and another 140,000 or so sustained major damage, primarily in Alabama, Louisiana, and Mississippi. By one estimate, more than a million homes were damaged in Katrina, Rita, and Wilma.

In New Orleans alone, the U.S. Army Corps of Engineers executed an average of 360 residential demolitions a month in 2006, but in 2007 to date it still is executing an average of 150 a month. as of July 1, 2006, the U.S. Bureau of the Census estimated only about three-quarters of the pre-storm population had been restored to the New Orleans metropolitan region. School enrollment has continued to be far below before-storm levels. Public transportation recovery has been limited, with less than half of all routes open in New Orleans and less than one in five pre-Katrina buses operational. The labor force is only three-quarters of pre-storm levels in the New Orleans metro area. Many problems remain in the region and for that reason there is much work left to be done.

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There have been numerous and bitter criticisms of the Federal response. In one the most sober ones, the Government Accountability Office said that Federal programs were in some ways flexible, but were sometimes not well-coordinated, and were not well-coordinated with State Governments.

Non-governmental organizations responded promptly to citizens impacted by Katrina.

The American Red Cross, Southern Baptist Association, Salvation Army, Oxfam, Common Ground Collective, and a number of others provided victims with food and water, raising more than \$4 billion in donations from the public.

The Amateur Radio Emergency Services provided emergency communications for all levels of Government officials. Many corporations provided additional donations and direct service. Significantly, the Salvation Army immediately mobilized 178 feeding units and 11 field kitchens to serve more than 5.7 million hot meals and 8.3 million sandwiches and associated snacks and drinks.

The Katrina rebuilding process presents an earnest opportunity to set partisan politics aside and work towards real solutions for the hurricane victims. Nineteen months later, it is high time to provide the attention necessary to Katrina.

This Congress has been working diligently to provide legislative solutions to address the needs of the Gulf Coast residents. Congresswoman Lofgren and I have dis-

cussed how a Civilian Conservation Corps is needed for the Gulf Coast at this stage of recovery.

I grew up on a street that was created as a result of the WPA, just like millions of other Americans. The CCC was critical to building our nation during the New Deal. We need something similar for the Gulf Coast region.

I am confident that the Department, through the Office of the Federal Coordinator for Gulf Coast Rebuilding should serve as the lead facilitator for a Civilian Disaster Recovery Corps.

If we continue to develop public-private partnerships and recognize the critical role played by state and local governments, the Gulf Coast will recover. The Gulf Coast will be rebuilt. The Gulf Coast will be revitalized. And Gulf Coast residents will return.

Mr. THOMPSON. The Chair now recognizes the ranking member, Ms. Brown-Waite, of the committee for 5 minutes for an opening statement.

Ms. BROWN-WAITE. I thank the chairman very much, and I certainly thank the witnesses here today.

It has been nearly 21 months since Hurricane Katrina wreaked havoc on the gulf coast of our country. The destruction was catastrophic, and many lives and families were torn apart. In the aftermath of one of the most severe and costliest disasters in our country, Congress acted quickly to address the devastation and to assist the victims of Katrina. To date, Congress has appropriated nearly \$118 billion for disaster recovery and rebuilding, more money than has ever been appropriated for a natural or man-made disaster, including the terrorist attacks of 9/11 and the devastating Northridge Earthquake in California in 1994.

Understanding the enormity and severity of the devastation to the region and the consequences to the Nation, President Bush directed the establishment of a coordinator of Federal support for the recovery and rebuilding of the gulf coast region within the Department of Homeland Security. The Federal coordinator promotes and facilitates the Federal Government's role in providing effective, integrated and fiscally responsible support from across the Federal Government and relevant stakeholders, including State and local governments, the private sector, and community organizations in the recovery of the gulf coast region. The Federal coordinator works closely with the States and local governments to identify and prioritize the needs of the region and service as the region's liaison to the leadership in Washington.

There certainly is no denial that the pace of recovery in the gulf coast region has been going slow. A lot of assistance appropriated by Congress is caught in the bureaucratic red tape delaying the rebuilding and recovery efforts.

While the State and local government of Louisiana and Mississippi are tirelessly focusing on the rebuilding of their regions, they also are in direct contact with the Federal Government which is working to address their needs. The Federal Government must continue to facilitate the difficult rebuilding process and work to identify and remedy the bureaucratic hurdles preventing a faster pace of recovery. The Federal Government must also continue to be a steadfast partner in promoting the ideas and solutions of the private sector and the many community organizations vested in this process.

I personally want to thank all of the witnesses for being here today, and I also want to highlight the fine job that the State of

Mississippi is doing through its Office of Recovery and Renewal under the leadership of Governor Haley Barbour.

It is my hope that Mississippi and Louisiana are not only working with the Federal Government and outside groups but that they also are working with each other on common issues and joint goals for the region.

Coming from Florida as I do, we have had far too much experience with hurricanes and the devastation that followed the hurricanes. Every Floridian who saw the devastation on TV that was happening as a result of Hurricane Katrina, their hearts went out. They opened up their wallets, because they know there but for the grace of God could have been also the State of Florida.

I look forward to hearing the testimony of all of our witnesses, and I yield back the balance of my time.

Chairman THOMPSON. Thank you very much.

Other members of the committee are reminded that, per committee rules, opening statements may be submitted for the record.

Chairman THOMPSON. I would like to welcome our witnesses here today.

Our first witness, Mr. John Castellani, is President of the Business Roundtable, an association of chief executive officers of leading U.S. corporations.

Our second witness, Ms. Lezli Baskerville, is the first female President and CEO of the National Association of Equal Opportunity in Higher Education, NAFEO, the only national membership advocacy and capacity building association for all of the Nation's 105 Historically Black Colleges and Universities and emerging Predominantly Black Institutions.

Our third witness, Mr. Bryan McDonald, is the Director of the Mississippi Governor's Office of Recovery and Renewal. He leads the team charge coordinating the State's Katrina recovery efforts.

Our fourth witness, Mr. Jeff Johnson, is a correspondent for Black Entertainment Television and social activist. He also serves as the President and CEO for Truth is Power, which specializes in leadership and curriculum development, media strategy, and social branding.

We would like to welcome each of you here to this committee meeting.

Without objection, the witnesses' full statements will be inserted in the record.

Chairman THOMPSON. I now ask each witness to summarize his or her statement for 5 minutes, beginning with Mr. Castellani.

STATEMENT OF JOHN J. CASTELLANI, PRESIDENT, BUSINESS ROUNDTABLE

Mr. CASTELLANI. Thank you, Mr. Chairman, members of the committee.

On behalf of the Business Roundtable and our members, I would like to thank the committee for this opportunity to talk with you today about the Gulf Coast Workforce Development Initiative and the GREAT campaign.

The Business Roundtable, as the chairman said, is an association of chief executive officers of the leading U.S. companies; and collec-

tively they represent over \$4.5 trillion dollars in annual revenues and employ more than 10 million people.

We are committed to advocating public policies that ensure vigorous economic growth, a dynamic global economy and a well-trained and productive U.S. workforce that is essential for future competitiveness. That focus on our national economy, an ability to identify major problems that require a broad coalition to solve and a willingness to lead, resulted in the decisions to establish two programs that have helped the gulf region following the devastating hurricanes in 2005.

I wanted to first mention our Partnership for Disaster Response Task Force, which is working to improve and coordinate the private sector response to catastrophes. We launched the partnership in May of 2005 following the tsunami in Indonesia, and it was a great help in responding to Hurricanes Katrina and Rita later that year.

But the Roundtable CEOs saw another ongoing need during the efforts to rebuild the gulf coast region. Despite the unprecedented national response to the devastation of the hurricanes, it was clear that the gulf coast needed a significant number of additional construction workers to support reconstruction.

We developed the Gulf Coast Workforce Development Initiative to recruit and train up to 20,000 new construction craft workers for the gulf coast region by the end of 2009. Business Roundtable companies and affiliated partners have committed up to \$5 million in cash and in-kind services to fund the initiative, and this is in addition to the more than \$360 million in cash and in-kind donations that Roundtable companies contributed to support immediate relief efforts for the hurricanes.

Participant enroll in a free skills course which provides intensive training to prepare them for entry level construction jobs and helps them develop a career in the construction industry. They receive free training on topics such as basic safety, hand tools, power tools, blueprint reading and basic rigging. Currently, the training courses are offered at local community and technical schools and other facilities in Louisiana, Mississippi, and Texas; and we are looking to expand into other States.

Now, let me emphasize that this initiative for possible actions in the gulf coast is really a true partnership that involves Federal, State and local government agencies, businesses, community organizations, educational institutions and construction trade groups and associations.

The U.S. Department of Labor has been an important partner in this effort, as have both Louisiana and Mississippi, and received funds through the Pathways to Construction Program and the National Emergency Grants.

We have also worked closely with the Office of Federal Coordinator for Gulf Coast Rebuilding, the State legislators, the Governor's offices and the numerous State agencies in Louisiana and Mississippi.

The success of the Gulf Coast Workforce Development Initiative is due to the support of a large number of active partners from the public and private sectors. We are also working hard to attract people to the available construction training classes. The initiative has developed the Gulf Rebuild Education Achievement and Training,

or GREAT, campaign to raise awareness of the training and to recruit participants.

The Initiative has a Web site that contains information about the Initiative and how to sign up for training.

The Initiative also operates a 24/7 toll-free call center for detailed information and assistance in signing up for upcoming training classes.

Marketing has also included print ads, billboards, job fairs, community events, and radio advertisements; and we are working hard to spread the word about this training.

We are also excited about the progress since the Gulf Coast Workforce Initiative was announced last summer. By the end of April, the Initiative has trained more than 5,000 workers in needed construction skills; and, in addition, 3,500 are currently enrolled in programs in Mississippi, Louisiana and recently established courses in Texas.

We know the training is only the first step, and the Initiative has been working hard to reach out to local contractors in the gulf coast region to assist job placement trainees when they finish the program.

I am pleased to tell you that the State agencies in Louisiana and Mississippi are reporting an average job placement rate of 80 percent for Initiative-trained graduates, and I must tell you that it is exciting to see that the training and career opportunities provided by the Initiative have positively impacted the lives of many gulf coast residents by giving them jobs and hope.

I thank you again for the opportunity to talk with you about the Gulf Coast Workforce Development Initiative and our great campaign.

Chairman THOMPSON. Thank you for your testimony.

[The statement of Mr. Castellani follows:]

PREPARED STATEMENT OF JOHN J. CASTELLANI

Introduction

On behalf of Business Roundtable and our members, I would like to thank the committee for this opportunity today to talk with you about the Gulf Coast Workforce Development Initiative and GREAT campaign.

Business Roundtable is an association of chief executive officers of leading U.S. companies with over \$4.5 trillion in annual revenues and more than 10 million employees. Our companies comprise nearly a third of the total value of the U.S. stock market and represent more than 40 percent of all corporate income taxes paid. Collectively, they returned more than \$112 billion in dividends to shareholders and the economy in 2005.

Roundtable companies give more than \$7 billion a year in combined charitable contributions, representing nearly 60 percent of total corporate giving. They are technology innovation leaders, with \$90 billion in annual research and development spending—nearly half of the total private R&D spending in the U.S.

The Roundtable is committed to advocating public policies that ensure vigorous economic growth, a dynamic global economy, and the well-trained and productive U.S. workforce essential for future competitiveness. Our CEO members focus on issues they believe will have an effect on the economic well-being of the nation.

It's that focus on our national economy, an ability to identify major problems that require a broad coalition to solve and a willingness to lead that resulted in the decisions to establish two programs that have helped the Gulf Region following the devastating hurricanes in 2005.

I first want to mention the Business Roundtable Partnership for Disaster Response Task Force, which seeks to improve and coordinate the private sector response to catastrophes. We launched this effort in May of 2005 following the dev-

astating tsunami in Asia and the private sector's unprecedented outpouring of contributions.

Nearly 30 CEOs—from across industries—have joined forces as members of the Partnership for Disaster Response Task Force to leverage their resources and expertise to enhance and accelerate on-the-ground relief and recovery efforts following major disasters. Business Roundtable is working closely with the federal government as well as the American Red Cross and others to ensure that the private sector is fully integrated into the nation's disaster response planning. The new chairman of this Task Force is Richard L. Keyser, Chairman and CEO of W.W. Grainger, Inc.

The Partnership has proven to be a great resource to help Roundtable companies respond to catastrophes, including support in response to the South Asian earthquake and the Central American and Mexico Hurricane Relief Fund. Additionally, Roundtable companies contributed more than \$360 million in cash and in-kind donations to support immediate relief efforts for Hurricanes Katrina and Rita—donations ranging from antibiotics to vehicles.

The Partnership for Disaster Response dealt with the needs in the immediate aftermath of Hurricane Katrina and Hurricane Rita, but our CEOs also saw an ongoing—and unmet—need during the efforts to rebuild the region. Despite the extremely generous national response to the devastation of the hurricanes, it was clear in the months that followed that the Gulf Coast region needed a significant number of additional trained construction workers to support reconstruction.

Overview of the Gulf Coast Workforce Development Initiative

Under the leadership of Riley Bechtel, Chairman and CEO of Bechtel Group, Inc., and Charles Holliday, Jr., Chairman and CEO of DuPont, we have developed—and launched—the Gulf Coast Workforce Development Initiative. Our goal for this Initiative is to recruit and train up to 20,000 new construction craft workers for the Gulf Coast region by the end of 2009. Business Roundtable companies and affiliated partners are committing up to \$5 million in cash and in-kind services to fund the Initiative.

The Initiative supplements ongoing efforts in both the public and private sectors to develop the skilled workforce needed to help the Gulf Coast region rebuild following the devastation of the 2005 hurricane season.

Participants enroll in a free skills course which provides intensive training to prepare them for construction jobs and help them develop a career in the construction industry. They receive free entry-level training on topics such as basic safety, hand tools, power tools, blueprint reading and basic rigging.

In most cases, participants are trained in local community and technical colleges by instructors certified by the National Center for Construction Education and Research (NCCER). New worker training is also being provided under the approved apprenticeship programs of the Building and Construction Trades. To be eligible for training, a participant must be a legal U.S. resident and take a basic skills assessment evaluation.

Free training courses are offered at local community and technical colleges and other facilities in Louisiana, Mississippi, and Texas—and we're looking to expand to other states.

A Partnership—with Many Partners

Let me emphasize that this initiative for positive action in the Gulf Coast is a true partnership involving federal, state and local government agencies, businesses, community organizations, educational institutions, and construction trade groups and associations.

The U.S. Department of Labor has been an important partner in this effort, as both Louisiana and Mississippi have received funding made available through the U.S. Department of Labor's Pathways to Construction program and National Emergency Grants. We have also worked closely with the Office of the Federal Coordinator for Gulf Coast Rebuilding.

The success of the Gulf Coast Workforce Development Initiative is due to the support of a large number of active partners from the public and private sectors. These include the governor's offices and other agencies in Louisiana and Mississippi as well as state legislatures that have allocated important funding for job training programs.

Other partners include the Louisiana Community and Technical College System, National Center for Construction Education and Research (NCCER), the Associated Builders and Contractors Inc., Associated General Contractors (AGC) of America, Building and Construction Trades Department, AFL-CIO; Construction & Maintenance Education Fund, Construction Industry Roundtable (CIRT), Construction Users Roundtable (CURT), Home Builders Institute, Houston Business Roundtable,

Houston Community College System, Lake Area Industry Alliance, Louisiana Chemical Association, American Association of Community Colleges, Bosch Tool Corporation, Greater Baton Rouge Industry Alliance, Greater New Orleans Business Roundtable, Greater New Orleans Inc., Minority Business Roundtable, Mississippi Construction Education Foundation, NAACP, National Black Chamber of Commerce and National Roofing Contractors Association.

“I’m GREAT” Marketing and Recruitment Program

The establishment of training with partner organizations has been an important first step, but we also are working hard to attract people to the available construction training classes. The Initiative has developed the Gulf Rebuild: Education, Advancement & Training or “GREAT” marketing campaign which seeks to associate participation in the Gulf Coast reconstruction with a personal sense of self worth and accomplishment.

The Initiative maintains a website (*www.imgreat.org*) which contains information about the Initiative and how to sign up for training. Interested persons are directed to call the Initiative’s 24–7 toll free call center (1–888–52-GREAT) for detailed information and assistance in signing up for upcoming training classes. The Initiative’s marketing has included a number of outreach methods including print ads, billboards, job fairs, community events and radio advertisements.

Rebuilding Lives: Progress to Date

We’re excited about the progress since the Gulf Coast Workforce Development Initiative was announced last summer.

By the end of April 2007, the Initiative had trained more than 5,000 workers in needed construction skills. In addition, another 3,500 are currently enrolled in programs in Mississippi, Louisiana and recently established courses in Texas.

We know that training is only the first step, and the Initiative has been working hard to reach out to local contractors in the Gulf Region to assist with job placement for the trainees when they finish the program. I am pleased to tell you that state agencies in Louisiana and Mississippi are reporting an average job placement rate of 80 percent for Initiative trained graduates.

It has been exciting to see that the training and career opportunities provided by the Initiative have positively impacted the lives of many Gulf Coast residents.

Shawn, a construction training graduate, had this to say about his experience: *“Before starting training. . . I was unemployed and was having a hard time finding a good job. I completed training in a short time; I didn’t have to stay in school half my life to start a good career. I attended a job fair at the school and found a job. . . I’m also currently attending welding training at night. . . and still have time to spend with my family. It’s really is true that you can get started in a good job with a little training and continue move up in the construction field. I’ve referred family members and friends to this program; I want them to have a chance to make a good living too.”*

Conclusion

Thank you again for this opportunity to talk with you about the Gulf Coast Workforce Development Initiative and our GREAT campaign. Working together—business, labor, government, education and many others—we will help the Gulf Coast region’s structures, economy and spirit.

ATTACHMENTS:

I'M GREAT.™

Gulf Rebuild: Education, Advancement and Training

Gulf Coast Workforce Shortage

Post-Katrina clean-up and reconstruction of the Gulf Coast region has introduced a number of challenges including access to a trained and skilled workforce. Throughout the region, contractors have experienced significant labor shortages and continue to struggle to find skilled construction workers.



20,000 Skilled Professionals

In response to this challenge, Business Roundtable, in partnership with federal, state and local government agencies, businesses, community organizations, academic institutions and construction trade groups and associations, launched the Gulf Coast Workforce Development Initiative ("the Initiative"), as an effort to recruit and train up to 20,000 skilled construction laborers for the Gulf Coast region by the end of 2009.

The Initiative supplements ongoing efforts in both the public and private sectors and, to date, is primarily funded through members of Business Roundtable, which represents chief executive officers of the largest companies in the country, from every sector of the economy.



Skills That Turn Jobs Into Careers

Through the Initiative, eligible participants can enroll in entry level skills courses, preparing them for employment in the construction industry. Safety training, which will satisfy the OSHA construction industry training program requirements, will be an integral part of the basic craft training that these students receive. Training is free and, most importantly, contractors are partnering with the Initiative to help ensure that newly-developed skills match the needs of the rebuilding effort.

Participants are trained by instructors certified by a number of construction accrediting organizations including the National Center for Construction Education and Research ("NCCER"). NCCER is a not-for-profit education foundation created to develop and maintain industry driven standardized construction craft training programs with portable credentials. New worker training is also being performed under the approved apprenticeship programs of the Building and Construction Trades. The initial training classes have started in Louisiana and Mississippi with funding made available through National Emergency Grants and the U.S. Department of Labor's Pathways to Construction grants.



A GREAT Opportunity

Initiative-sponsored recruitment efforts, through a campaign entitled **GREAT – Gulf Rebuild: Education, Advancement and Training**, is underway (www.imgreat.org) to help increase the visibility of the program and attract more participants. Outreach efforts are underway in target cities across Louisiana and Mississippi, with expansion into other Gulf Coast communities in the future.

Gulf Coast Workforce Development Initiative

Partners

American Association of Community Colleges	Louisiana Chemical Association
Associated Builders and Contractors, Inc. (ABC) and local chapters	Louisiana Community and Technical College System
Associated General Contractors (AGC) of America and local chapters	Louisiana Department of Labor
Building and Construction Trades Department, AFL-CIO and its affiliates	Louisiana Recovery Authority
Business Roundtable	Louisiana Workforce Commission
Construction & Maintenance Education Fund (CMEF)	Minority Business Roundtable
Construction Industry Roundtable (CIRT)	Mississippi Construction Education Foundation
Construction Users Roundtable (CURT)	Mississippi Department of Employment Security
Greater Baton Rouge Industry Alliance (GBRIA)	National Association for the Advancement of Colored People (NAACP)
Greater New Orleans Business Roundtable	National Black Chamber of Commerce
Greater New Orleans, Inc.	National Center for Construction Education and Research (NCCER)
Home Builders Institute	National Roofing Contractors Association
Houston Business Roundtable	Office of the Federal Coordinator for Gulf Coast Rebuilding
Houston Community College System	United States Department of Labor
Lake Area Industry Alliance	

Contributors

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BE&K, Inc.	National Roofing Contractors Association
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For more information please contact Larry D. Burton, Executive Director, Business Roundtable at (202) 872-1260.



Business Roundtable



GULF COAST WORKFORCE DEVELOPMENT INITIATIVE

The objectives of Business Roundtable's Gulf Coast Workforce Development Initiative are to:

1. support the nation's goal to **re-construct areas** devastated by Hurricanes Katrina and Rita;
2. provide **meaningful employment and career opportunities** for local residents;
3. **assist people who have been displaced** as a result of the hurricanes to return to their home locations; and
4. attract **additional qualified workers** into the construction industry.

The scope of the Initiative is to **train up to 20,000 displaced and/or disadvantaged workers** to at least the apprentice level by the end of 2009, implemented via a public-private partnership.

To implement the training, the Initiative utilizes existing **industry-standard training curriculum and facilities** to deliver the training (including but not limited to: the National Center for Construction Education and Research, local community and technical colleges, Associated Builders & Contractors, and the Building & Construction Trade Department).

The Initiative provides **targeted marketing and communications** to assist in recruiting students, while government grants have funded the majority of the training. Training is scheduled to only train workers for real jobs.

As of January 31, 2007, 2678 people have completed entry level training and an additional 2289 people are enrolled in upcoming classes. It is expected that **more than 5000 people will complete training by the end of the first quarter of 2007** which places the Initiative on-track to meet the goal of training 20,000 people by the end of 2009.

Since re-building efforts along the gulf coast have not progressed as quickly as originally anticipated, the Initiative has been working closely with local contractors to find **employment for training graduates**. With significant re-building expected to begin this year, however, the Initiative is preparing for increased recruitment and training demand.

To help maintain the Initiative's energy and focus, **legislators are encouraged to reference the Initiative's progress** in speeches, town hall meetings and media interviews that discuss hurricane recovery. The Initiative is an excellent example of the public and private sectors working together to solve a national problem.

Business Roundtable would like to specifically **acknowledge the support of the following government agencies** in making this vital training a reality:

- United States Department of Labor, Employment and Training Administration
- Louisiana Community and Technical College System and Louisiana Department of Labor
- Mississippi Department of Employment Security and Mississippi State Board for Community and Junior Colleges

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FOR IMMEDIATE RELEASE
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"GREAT" CAMPAIGN LAUNCHED IN BATON ROUGE TO TRAIN CONSTRUCTION WORKERS

Workers to get free training through the Louisiana Community and Technical College System

BATON ROUGE, LA – A "GREAT" new effort to find and train construction workers to rebuild the Gulf Coast region kicked off today in Baton Rouge. The city is the initial launch market for the **Gulf Rebuild: Education, Advancement and Training (GREAT)** campaign, a recruitment effort of the Gulf Coast Workforce Development Initiative.

The Initiative seeks to recruit and train 20,000 new construction workers across the Gulf Coast in basic construction skills by 2009. It has been developed by a broad partnership of business groups, community organizations, educators, construction trade groups and local, state and federal governments in response to the need to rebuild the region following the 2005 hurricanes. Business Roundtable, an association of 160 CEOs of leading U.S. companies, initiated the effort and is committing \$5 million to the recruitment campaign. The State of Louisiana has allocated \$15 million toward construction training programs.

At today's event, supporters announced a new toll-free number – 1-**888-52-GREAT** (47328) – and website – www.imgreat.org – for those interested in participating. Recruitment efforts through the GREAT campaign also include radio commercials, signs at bus shelters and billboards in the Baton Rouge area to get the word out.

"Our System is supportive of the Gulf Coast Workforce Development

Initiative and the I'm Great Campaign. The campaign will complement our pathways to construction employment initiative and assist us in our current efforts to recruit students to participate in our training programs," said Dr. Walter G. Bumphus, LCTCS president. "We will need a trained workforce of unprecedented scale to assist in rebuilding the Gulf Coast, and meeting this surge in demand will be critical to the rebuilding of our state. This partnership is definitely welcomed.

"Throughout the South, residents are seeking good jobs at the same time contractors need skilled construction workers," said Michael Matlock, site maintenance leader of Dow Chemical Co.'s Louisiana facilities, who is spearheading the Louisiana initiative on behalf of the Business Roundtable, an association of 160 chief executive officers of the nation's top companies. "This project is exactly what we need. It will develop a skilled workforce and ensure a healthy economic future for the Gulf South."

Participants will receive 102.5 clock hours of free training comprised of topics including basic safety, construction math, hand tools, power tools, blueprint reading and basic rigging. The training is designed to prepare them for entry-level construction jobs and help them develop a career in the construction industry. Generally, the average salary for a construction craft professional is \$20 per hour.

Training and curriculum materials are free for the four-week entry skills course, and tools will be provided to trainees who fulfill jobs with contractors associated with the initiative. In order to be eligible for the training, a participant must be a legal U.S. resident, pass a basic literacy test and submit to a drug test.

Training which will be conducted by instructors certified by the National Center for Construction Education and Research, (NCCER) a not-for-profit organization which was created to develop and maintain industry-driven training programs for construction jobs. Training will take place at the Baton Rouge Community College (Frazier site), The Louisiana Technical College – Baton Rouge Campus, and the Louisiana Contractors Center of Excellence, located on Highland Road. A full list of partners and contributors to the effort is available at www.imgreat.org.

Following today's kick-off in Baton Rouge, the GREAT campaign and training program will be expanded to Jackson, Mississippi and then to other Gulf Coast communities.

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Gulf Rebuild: Education, Advancement and Training, or GREAT campaign, is sponsored by the Gulf Coast Workforce Development Initiative, a partnership of federal, state and local government agencies, businesses, community organizations and construction trade groups and associations, working together to recruit and train up to 20,000 skilled construction craft workers for the Gulf Coast region by the end of 2009. The GREAT campaign is primarily funded by members of Business Roundtable, an association of 160 CEOs of leading U.S. companies. For more information please visit our website, www.imgreat.org.

THE WALL STREET JOURNAL

We Will, Louisiana Governments Say On Anniversary of Katrina

By Chad Terhune
28 August 2006
The Wall Street Journal

New Orleans -- MERA BERCY -- fed up with the stench and the rats and the roaches from the abandoned house next door to her home in the flood-battered Gentilly neighborhood -- hopes the city of New Orleans keeps its word.

Officials have promised that beginning tomorrow, the one-year anniversary of Hurricane Katrina's landfall here, they would begin moving to demolish buildings whose owners haven't at least gutted them and cleaned up their lots.

"Their rats and roaches are coming into my home with three small children," complains the 33-year-old Ms. Bercy, who gutted her home in November and is living in a small travel trailer in her front yard as she slowly repairs her single-story brick house. "Obviously the owner next door has moved on. But don't punish me. If they say Aug. 29, make it stick."

Demolitions won't begin for a few weeks or even months. But New Orleans and neighboring St. Bernard Parish -- two of the hardest-hit areas -- have set the deadline to force tens of thousands of property owners to deal with abandoned, blighted structures that still litter the landscape here and perhaps kick start the area's stagnant recovery. In a vote Friday, the New Orleans City Council stuck to the deadline but spelled out that homeowners will have several weeks to comply with or challenge warning letters or seek a "hardship exemption."

Katrina severely damaged more than 125,000 homes in New Orleans and St. Bernard parishes alone, and it is estimated only about 30% to 50% of residents have returned. Many homeowners don't have the money to rebuild as disputes over denied insurance claims drag on, and an acute shortage of workers and construction materials is crimping efforts and raising costs. Government red tape and property owners' concerns that another devastating storm might wreck any repairs have also bogged down work. Katrina survivors are watching Tropical Storm Ernesto closely as it churns toward the Gulf of Mexico.

The demolition plan has become a flashpoint, pitting neighbor against neighbor in many cases and signaling an important shift among local leaders to focus their efforts and priorities on those who have already returned versus those who may never come back. After the local government demolishes or guts a house, officials will place a lien on the property to force the owners to repay the cost of the work.

"People shouldn't have to live in disgusting neighborhoods with boarded-up homes, uncut grass and debris in the yard," says Joey DiFatta, a St. Bernard Parish Council member. Oliver Thomas, the New Orleans City Council president, agrees. He says the time has come to "focus on the people who've returned so they're not discouraged and leave."

Working in favor of the rebuilding effort is that \$7.5 billion in federal aid has started flowing to Louisiana homeowners in the disaster zone. Last week, the Louisiana Recovery Authority started issuing grants for as much as \$150,000 to help cover uninsured losses. A similar \$3 billion program is under way in Mississippi.

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Local officials expect that to trigger an unprecedented construction boom -- with thousands of renovations simultaneously under way across hundreds of miles of southern Louisiana and Mississippi. Of course, that will exacerbate the labor shortage even more. Some experts estimate more than 50,000 additional workers are needed in Louisiana and Mississippi. Already signs begging for laborers are interspersed among thousands of placards plastering the New Orleans area to advertise wallboard removal, mold fumigation and demolition.

To fill the gap, construction companies are offering pay incentives to retain employees, and business groups are pushing for training programs and improved housing options. The Business Roundtable, a Washington D.C.-based association of 160 CEOs at leading companies, has teamed up with state and federal labor officials to launch training efforts in Baton Rouge, La., and Jackson, Miss. The group has a goal of recruiting and training 2,500 entry-level construction workers this year and 20,000 by 2009. The Business Roundtable has put \$5 million into the program and state and federal officials have invested more than \$20 million toward this initiative and other worker training.

Stephanie Foster, 31, started the four-week training course at Baton Rouge Community College earlier this month. She hopes to earn more than \$20 an hour in welding or carpentry -- up from the \$8 an hour she made previously as a fast-food cook and cleaning houses. "We have to rebuild to get our people back. If we don't do it ourselves, no one will," she says. Billboards and radio ads promoting the program began airing this month, and nearly 200 participants have finished the program and taken jobs at local builders and bigger companies such as Shaw Group Inc. and Bechtel Group Inc.

The billions for rebuilding "mean nothing if we don't have the hands on the ground," says Tim Johnson, a Baton Rouge consultant organizing the training. "There will be no rebuilding without the craftspeople."

In St. Bernard Parish, the largely blue-collar community east of New Orleans inundated with Katrina floodwaters, Bill and Kathie Lind have invested roughly \$150,000 to fix up their home and another rental property they own. Their neighbors have done very little.

Next door on Jupiter Street in Chalmette one home still hasn't been gutted and portions of the roof are collapsing. The Linds' neighbor on the other side recently tore out the interior of his house and a chest-high pile of debris fills the front yard. "Before they set the deadline no one was doing anything," says Mr. Lind, his T-shirt drenched in sweat after clearing weeds in his yard in 95-degree heat. "The deadline is the only thing that will save the parish."

Many homeowners, though, remain skeptical of any government rebuilding effort given the slow, bureaucratic response thus far to Katrina. They also fear the government will demolish structures that are salvageable -- or stick them with excessive liens on their property.

Others are openly hostile. The looming deadline brought out Ray Berger, a 47-year-old motel owner, to clean up his mother-in-law's house on Florida Avenue, not far from Ms. Bercy's Gentilly home. "It's a shame it's a year later, and you don't see any improvement," Mr. Berger said. "But how can we get anything done when we're still battling the insurance companies? If they tear down this house, they will catch a bullet."

Civil-rights groups in New Orleans have threatened a legal effort to block the city demolition program. New Orleans already has exempted low-income areas such as the Lower Ninth Ward. Property owners in New Orleans can also comply with the deadline by getting on a waiting list for free gutting services offered by some nonprofit groups -- a wait currently running at four to six months as the groups struggle

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to recruit enough volunteers to meet the enormous demand. It often takes a team of 10 volunteers two to three days to gut one home.

St. Bernard will give property owners 30 days notice before starting demolition. Homes that are structurally sound will only be gutted, officials say.

Joseph and Helen Moore heard about the demolition deadline in St. Bernard Parish from their daughter-in-law and rushed back earlier this month from their new home in Broken Arrow, Okla., to install new doors and windows on their damaged Chalmette house -- one recommended way to get off the demolition list. They intend to sell the house and stay in Oklahoma because they don't consider Louisiana safe from future storms. "Why should we put windows and doors on to make it presentable? They will just be broken out later," said Ms. Moore, a 62-year-old Wal-Mart employee.

Last month, the parish posted a list online of more than 7,000 residential and commercial properties it considered "blighted" out of 27,000 pre-Katrina structures. That number has dwindled to about 4,100 as property owners documented work they'd undertaken.

"Every day we have our screamers and criers," said Gina Hayes, director of the Department of Community Development in St. Bernard Parish. But "our goal is to clean up this area."

Chairman THOMPSON. I now recognize Ms. Baskerville to summarize her statement for 5 minutes.

STATEMENT OF LEZLI BASKERVILLE, ESQ., PRESIDENT AND CEO, NATIONAL ASSOCIATION FOR EQUAL OPPORTUNITY IN HIGHER EDUCATION

Ms. BASKERVILLE. Thank you very much, Mr. Chairman and Ranking Member Congresswoman Brown-Waite, members of the committee.

It is my distinct privilege to be here this morning on behalf of the Nation's Historically and Predominantly Black Colleges and Universities. I am honored to serve at the helm of NAFEO, which

serves as the capacity building and capital building association for all of the Nation's black colleges, 2-year and 4-year Historically and Predominantly Black Colleges and Universities.

I am especially pleased to be here today with such a diverse panel of witnesses. I am glad to note by the presence of someone from government and someone from business and someone from media and the not-for-profit arena that there is a recognition by the committee of the interconnectiveness between our various vantages and what we have to bring today.

When Katrina hit NAFEO-member institutions, the Nation's Historically and Predominantly Black Colleges and Universities were hit in a particularly devastating manner. In the belly of the beast, we had Xavier, Dillard and SUNO, three of the Nation's premier Historically Black Colleges and Universities that collectively send more African American students on to medical school than any other institutions in the Nation, send more African Americans on to graduate and professional programs in science and technology than any other institutions in the Nation, send more nurses into the workforce in and around the region than any other institutions, prepare teachers in urban teaching, a unique discipline offered at SUNO.

Our institutions were doing a great deal, as you can see and as I expanded in my written testimony, not only to provide in meeting vitally needed services and needs in and around the gulf coast but nationally.

When Hurricane Katrina hit, our institutions lost everything, lost laboratories, dormitories, libraries, faculty, administrators, and the like. Particularly devastating was the fact that faculty were displaced. Our faculty, who are far and few African Americans, faculty who are disproportionately underrepresented in the higher education arena.

But amidst the storm, as our institutions in the belly of the beast in Mississippi, in Louisiana were experiencing devastation, some great things happened that I think can be instructive and helpful as we go forward.

First, under NAFEO's leadership, every member of the black college community, all 105 Historically Black Colleges and Universities and Predominantly Black Institutions, joined in an effort first to receive students and then, second, to enlist their institutions, the students faculty administrators in the recovery efforts.

Of particular note is an effort that happened almost instinctively by students that I hope will be instructive to this body as you look forward and think about how Homeland Security can play a more direct and immediate effort. Students came forward and organized many efforts to engage in recovery efforts, and they can play a critical effort going forward.

Mindful of my time, I won't discuss those efforts, but I will say that Homeland Security, in our estimation, has been lacking in its response, but the Historically and Predominantly Black Colleges want to work with them. We want to offer them an opportunity to use our resources, our researchers, our laboratories, our students and all in the higher ed community to respond.

I have five particular recommendations that are outlined in my testimony.

Quickly, one is that, following precedent, we would ask that you would require that a percentage of the laboratory and research facilities investment in the Homeland Security go to building and strengthening the laboratories and research facilities on HBCU campuses.

second, I would request that you require that a percentage of the scientific and technological resources invested in the Homeland Security research agencies provide Federal, State, and local officials with the technology and capabilities to protect the homeland and set aside some of those funds for HBCU.

third, that you designate one of the Nation's Homeland Security Centers of Excellence designating HBCU as such. We have the basis for meeting all of our homeland security needs; and with targeted investments in these national resources, in these national treasures, we will enable our institution, our country, to restore itself to its vibrancy.

I also ask that you consider designing a program that is based on the volunteer efforts of our students, a program that would reward students and provide incentives for students to go to our campuses to play a vitally important role in the rebuilding effort.

There is a member of your staff, Ms. Angela Rye, who led that effort for NAFEO; and I think she can be helpful in helping the committee to think through and shape what that might look like.

And, finally, I would request that the committee suggest that we invest in HBCUs and designate them as disaster-resistant Universities, that they provide the services and resources to train those in the communities. They are unlikely situated in the belly of the beast. They are unlikely situated on the front lines. They are in all of the areas that are most prone to disasters, and I would urge you to respectfully consider involving HBCUs in these matters.

I thank you so very much, and I look forward to answering any questions that you may have at the appropriate time.

Chairman THOMPSON. Thank you very much for your testimony. [The statement of Ms. Baskerville follows:]

PREPARED STATEMENT OF LEZLI BASKERVILLE

Chairman Thompson, Ranking Member King and Members of the Committee, thank you for affording me the opportunity to appear before you today on behalf of the National Association for Equal Opportunity in Higher Education (NAFEO), to testify about "The Role of the Department of Homeland Security in Gulf Coast Rebuilding and Recovery Efforts," a subject about which NAFEO can offer the unique perspective of the Historically Black Colleges and Universities in the Gulf Coast region and nationally.

NAFEO is the nation's only membership association of all of the two-year, four-year, public and private Historically Black Colleges and Universities (HBCUs) and Predominantly Black Institutions (PBIs), representing almost 800,000 students, nearly 53,000 faculty and more than 5 million alumni. NAFEO's more than 120 member institutions are located in twenty-five states, the District of Columbia and the Virgin Islands.

Since it was founded in 1969, NAFEO has been at the forefront of shaping federal and state legislation to preserve and enhance HBCUs and PBIs, expand college access and success. It has helped to build the capacity of HBCUs, their executives, administrators, faculty, staff and students; and it has served as an advocate for the preservation and enhancement of HBCUs, as a voice for blacks in higher education, and for education excellence, equity, access and success, especially for those of least advantage and those traditionally underrepresented in higher education.

Much has been said and written about the Department of Homeland Security's role in the Gulf Coast rebuilding and recovery efforts. The Department's role is vitally important because it is responsible for anticipating, preempting and deterring

threats to the homeland, and preparing our nation and communities to respond rapidly and efficiently when such threats do materialize. From NAFEO's perspective and that of the institutions we represent, the Department has fallen woefully short of realizing its potential in the rebuilding and recovery effort. Without the support and involvement of HBCUs and PBIs, the Department will not be able to realize its potential relative to the Gulf Coast rebuilding and recovery efforts. I am pleased to report, however, that NAFEO and its member institutions stand ready to assist the Department in the recovery and rebuilding efforts in any manner of means.

When Hurricane Katrina swept in and landed a mighty blow to those in the Gulf Coast region, none felt the pang more than Dillard University, Southern University at New Orleans and Xavier University, three NAFEO institutions located in New Orleans. Hurricane Katrina was the most destructive and costly natural disaster in U.S. history. It caused unprecedented devastation to these HBCUs as well as other HBCU campuses in the region including Alcorn State University, Jackson State University and Tougaloo College in Mississippi. At Dillard, SUNO, and Xavier, entire campuses, including scores of dormitories, libraries, laboratories, and classrooms, were destroyed. Large amounts of equipment and furniture, books and supplies, academic records and teaching materials were permanently damaged, first by winds, floods and poison-filled waters, next by post-hurricane fires, and finally by toxic mold and mildew. If You Can Dream It, You Can Achieve It at an HBCU!

Katrina's wrath continues to be felt today, not only by the impacted higher education institutions, but the surrounding communities as well. Thousands of residents lost employment and access to other resources provided by the universities, their students and their faculty. Rebuilding these institutions is essential to rebuilding those communities. Yet, nearly two years after Katrina, the rebuilding, especially in the communities of least advantage and on the campuses of the least resourced institutions, has not moved with the alacrity, precision, and dispatch one would have hoped or expected.

Southern University New Orleans, the only public HBCU in New Orleans, was hit the hardest of all higher education institutions. Katrina decimated SUNO, and the entire campus was destroyed. The students who attended SUNO were disproportionately impacted. As a commuter campus, located in the Ninth Ward with a non-traditional, older student body, many students at SUNO lost everything: their homes and all material possessions, a sense of community (faith institutions, health and human needs services, recreation facilities, schools for their children), and members of their families and friends. As part of the 1890 land-grant system of institutions, which, like 1862 traditionally White land-grant institutions, are dubbed "The People's Institutions," SUNO should have received swift, targeted public investments to restore the campus and reconnect it to the surrounding community with as little disruption to the education of "the people" as possible. This did not and has not yet happened. At the time of this hearing, nearly two years after Katrina, SUNO is still operating out of trailers, which many of its students and their families also call home. The university lacks adequate resources to retain many of its faculty whose families fled New Orleans during or post- Katrina, or to attract adequate new faculty and staff.

Hurricane Katrina robbed many HBCU faculty and administrators of their homes, their livelihoods, and their families. Many have been furloughed, stripped of opportunities to teach, perform research, and publish. They are in effect, Missing in Action, but their individual stories and needs have gone unnoticed. Fortunately, with the assistance of the of the Ford Foundation, in partnership with South Carolina State University, NAFEO is beginning to document the challenges and needs of the displaced faculty and to take affirmative steps to meet some of their immediate needs.

If Katrina highlighted the tacit inequities of resources for the affected institutions, then the experiences of displaced faculty should tell a similar story. Recovery efforts aimed at HBCUs emphasized the needs of students, rebuilding the physical and technological infrastructure, and supporting the presidents through the transition. There were few, if any, coordinated efforts to respond to the specific needs of faculty, who as scholars, lost research, libraries, and time. Around the country, various institutions, both historically white and historically black, extended invitations to individual faculty members, but there was no coordinated effort to document their experiences or monitor how they weathered the transition, and the opportunities, if any, that opened up for them. Katrina may represent the worst brain drain among African Americans in a region that this country has ever experienced. The long-term implications of losing displaced faculty have yet to be realized or even considered. This African American talent pool exists in an intellectual and physical limbo that is displaced and disconnected from the academy. The ongoing recovery and rebuilding efforts must take this into account and do something about it.

NAFEO's Response

When the Katrina catastrophe occurred on the 42nd anniversary of the March on Washington, at which the Reverend Martin Luther King, Jr. pricked the conscience of America and moved the nation to action with his riveting "I Have a Dream Speech," government executives and individuals, associations, corporations, and foundations sprang into action trying to rescue, relocate, offer immediate relief and begin the long, trying process of restoring, rebuilding and revitalizing for those hardest hit by Katrina.

As we collectively watched the violent winds and tumultuous waters engulf and destroy the city New Orleans and threaten the lives and property of hundreds of thousands of residents; and as we caught glimpses of the ravages of Katrina in Mississippi and Alabama, the Black College community sprang into action. NAFEO mobilized the black college community to do five things: (1) **assesst** the situation and gather as much information about the crisis and immediate needs as was available; (2) **assist** Dillard, Xavier, Southern University, New Orleans, and as necessary, Alcorn State University, Bishop State Community College, Coahoma Community College, Hinds Community College at Utica, Jackson State University and Tougaloo College to ensure the safety and security of the nearly 24,000 students collectively (9,100 at Dillard, Southern University New Orleans, and Xavier) who were in the eye of the storm; (3) **assure** that basic essentials were available for all of the students: water, food, housing, and medical assistance; (4) **absorb** the 9,100 Dillard, SUNO and Xavier students who could not return to their home institutions for at least one semester into Sister institutions; and (5) **advance** the basic human, mechanical and technical infrastructures of all our Katrina-shaken institutions.

The united black college community brought and is continuing to bring to bear every resource it can muster, to aid the students, executives, administrators, faculty, staff, families and Katrina-ravaged institutions that are part of the black college community. They mobilized and are continuing to work as a united black college community on what we perceive to be the most important recovery, preservation, and rebuilding effort of our day.

NAFEO immediately shifted human resources and began identifying financial resources for Katrina-impacted HBCUs. We worked with federal legislators, corporate and foundation executives to assist the region's HBCUs that were most devastated by Katrina --Dillard, Xavier, and SUNO--to begin rebounding from \$1 billion in damages to those institutions caused by flood and fire; and to also assist Alcorn State University, Jackson State University, and Tougaloo College, NAFEO institutions in neighboring Mississippi that also suffered hurricane-related damage.

NAFEO initially engaged all of the NAFEO member institutions and other equal educational opportunity institutions in an effort to receive displaced students on a temporary basis until their home institutions could rebound and once again receive the students. This effort was remarkably successful. We engaged teams of students from among our 120-member institutions in assisting with the clean-up and rebuilding efforts following Katrina, as well as in feeding and clothing efforts and other projects to meet the immediate health and human needs services to those in the region. The students' work is ongoing, and they continue to spend their breaks and vacations in New Orleans volunteering with the rebuilding efforts.

With external leadership from NAFEO and internal leadership from members of the Louisiana and Mississippi delegations and others, we were able to secure four **Special Supplemental Appropriations** that included funds for the HBCUs hit hardest by Katrina and others that were damaged. NAFEO's deep and heartfelt appreciation is extended to Senator Mary Landrieu, Congressman William Jefferson, Senator Cochran and Chairman Bennie Thompson, whose focused congressional leadership advanced these appropriations.

For the first time in its then 37-year history, NAFEO moved its National Conference on Blacks in Higher Education out of Washington, DC to New Orleans to demonstrate the support of the collective black college community for Dillard, SUNO, Xavier, Alcorn State University, Jackson State University, and Tougaloo College. Among the important outcomes from that convening was the record from a filed hearing co-hosted by the Congressional Black Caucus and NAFEO, and attended by Senator Mary Landrieu (D-LA), Congressman William J. Jefferson (D-2d-LA) Congressman Bobby Scott (D-3rd-VA), Congresswoman Donna Christensen (D-VI) and others, on the impact of Katrina on our institutions and communities, and, equally as important, the many and varied ways in which our institutions could lead in rebuilding the hurricane-challenged institutions and communities.

Some federal agencies worked with NAFEO and others to reallocate monies already appropriated so they could be channeled to the students, faculty, institutions and vulnerable communities uprooted by Katrina. Notable among federal agencies that responded in an affirmative and effective manner was the U.S. Department of

Housing and Urban Development (HUD). With leadership from HUD Secretary Alphonso Jackson and with the support of Assistant HUD Secretary Dr. Darlene Williams and her executive leadership team, the Department shaped a new ***Universities Rebuilding America Program (URAP)*** which dedicated another \$5.6 million to involve faculty and students in rebuilding the Gulf; \$3.6 million of which was dedicated for HBCUs to provide a range of sustained services to the effected communities and \$2 million of which went to collaborative undertakings between the Katrina-Rita-ravaged communities and schools of architecture and planning.

The above and related actions were imperative because the black college community is extremely close, and no HBCU stands as an island. To the extent that one falters or falls, the others will be weaker as will be the African American community and the nation. It is vital, therefore, for continued coordinated black college community efforts, in partnership with the Department of Homeland Security, to shore up Dillard, SUNO, and Xavier and their Sister HBCUs for many reasons, especially so that the educational and professional dreams and aspirations of the students, administrators, faculty and staff are not deferred, and the resources they provide to their service communities and the world are not lost.

Best Practices in Rebuilding and Recovery Efforts

Against the above backdrop highlighting some of the ways NAFEO and its member institutions—the entire HBCU community—its students, administrators, faculty, staff, alumni and friends; and large numbers of others in the higher education phalanx joined forces to assist in the recovery, and rebuilding efforts, I offer the following thoughts about, “The Role of the Department of Homeland Security in Gulf Coast Rebuilding and Recovery Efforts.”

I note at the outset that NAFEO is proud and pleased that two of “its finest” are today at the heart of the Katrina rebuilding efforts, Lieutenant General Russell Honoree, Commanding General of the 1st U.S. Army, who is overseeing the Army’s efforts in New Orleans is a Southern University alumni; and Dr. Norman Frances, the first lay President of Xavier University, his alma mater, and the recent recipient of the Presidential Medal of Freedom, is co-chair of the Louisiana Recovery Authority. Both of these distinguished HBCU alumni are bringing to their challenging tasks in the rebuilding efforts, the courageous, principled, equitable, focused, strategic determination and results oriented approach learned or reinforced at HBCUs.

Despite the best effort of General Honoree, Dr. Frances, and many other brilliant, dedicated, passionate public servants who are working indefatigably and creatively to rebuild the Gulf Coast, the Department of Homeland Security’s effort in rebuilding the Gulf Coast is lacking. The mission of the mega-Department, to “lead the unified national effort to secure America. . . prevent and deter terrorist attacks and protect against and respond to threats and hazards to the nation. . . ensure safe and secure borders, welcome lawful immigrants and visitors, and promote the free-flow of commerce national network of organizations and institutions involved in efforts to secure our nation,” suggests that it is appropriate for the Department to play a large role in the rebuilding efforts.

That the Department of Homeland Security was founded in the aftermath of the terrorist attacks of September 11, 2001 suggests an appropriate measure of what might be expected post-Katrina and what the Department should and must do in the rebuilding efforts going forward.

As we approach the sixth anniversary of 9/11 and as we near the second anniversary of 8/25, the day Hurricane Katrina hit, I urge this Committee to use the lessons learned from both 9/11 and Katrina to inspire and shape collaborative strategies that will enable the Department of Homeland Security to redouble its efforts to rebuild the Gulf Coast by engaging the entire HBCU community and other higher education institutions as the drivers for the recovery. With a shift in Departmental investments in the recovery and rebuilding efforts, these institutions can strengthen their human, physical, and technological infrastructure, to drive the recovery. The leaders of these institutions, their executives faculty, staff, students and alumni understand that the rebuilding efforts must not simply be about restoring facilities and reclaiming bodies, but also about recapturing lost and fallen youth and families and re-engaging and repositioning the institutions that are the cornerstones of the community: the schools, HBCUs and other higher education institutions; faith institutions, civic and non-governmental associations and government agencies; corporations, small and disadvantaged businesses; hospitals, health centers and other drivers of not only the economy but the health, vibrancy, security and diversity of this community.

An examination of our nation’s response in the immediate aftermath of 9/11, before we had the Department of Homeland Security, can be instructive. Immediately following 9/11, Americans got a glimpse of our better selves. Thousands of individ-

uals and organizations rallied to assist those whom we perceived at that time to be most vulnerable: those who were caught in the World Trade Center, the Pentagon, or on Interstate 395 leaving the District of Columbia on foot because traffic was at a standstill, or who were ordered to leave buildings without access to their belongings or automobiles and with subways “on lock down.” We rallied to support our inadequately paid public health and safety workers who raced toward situations of imminent danger and exposed themselves to harm’s way so that others might live. We rallied to assist social service agencies, non-profit associations, neighbors and others whom some of us never recognized as connected to us until that fateful day.

September 11th occasioned more physical, emotional, and economic loss than has yet been tallied. The highly visible, unfathomable tragedies of that day, elicited deep compassion and shared grief. As a nation, we channeled our compassion and shared grief into appropriate action. In the days and months immediately following September 11th, we, as a united nation rallied to raise record amounts of money for the “family and community discordance” that those horrific events triggered. We raised incredible amounts of public and private money to provide needed survivor assistance for families devastated by the unconscionable events. You, our representatives in Congress, quickly approved sorely needed dollars for increased public safety and infrastructure undergirding. We donated innumerable hours to public service and heroic relief efforts. Those days provided us with a glimpse of our better selves.

Following the highly public devastation of 8/25—Hurricane Katrina—the most destructive and costly natural disaster in U.S. history that wiped out entire communities and devastated the HBCUs in the region—there was also a public outpouring of deep compassion and caring. People from every corner of the nation and indeed across the globe, from all walks of life, channeled their compassion and shared grief into appropriate affirmative action. Every HBCU and PBI in the nation responded by opening their doors or extending resources in some manner to save the compromised HBCUs and thereby assist to save the families and communities hit hardest by Katrina—those of least advantage. Traditionally White Institutions (TWIs) and others of goodwill did similarly.

Disturbingly, neither the federal nor the state government—those who are responsible for investing public dollars in providing for the common defense, promoting the general welfare, and securing the blessings of liberty for all Americans, responded to Katrina as they did to 9/11. Many have suggested that part of the reason has to do with the race and class of the victims. The “public faces” of 9/11 were mostly white, whereas the “public faces” of Katrina were mostly colored and poor. Those who had their lives devastated and unalterably changed as the result of 8/25 were those of least advantage.

Although I will not revisit the debate about the public failings following 8/25, it is important to note that we knew what to do following 9/11, and we as a nation did it. We knew what to do following 8/25, and we as a nation did not take many of the affirmative steps we knew to take. We knew that in order to move the families of direct victims of the September 11th attacks and of the 8/25 devastation from the depths of despair and uncertainty to a restored, albeit tenuous, sense of normalcy, we needed to shore-up their lives: provide for their immediate human needs, provide appropriate social services, spiritual support and counseling, and provide an educational base upon which they could ensure their future independence.

Instinctively, we quickly thought about the children of the 9/11 victims and the future of those children. Interestingly enough, for those children we equated a brighter future with the fulfilled promise of educational opportunity. After the terrorist attacks six years ago, millions of dollars in public and private aid became available to educate victims’ family members, in many cases, without regard to financial need. Some students eligible for scholarships from various September 11 programs come from families with real financial need. Others come from families who earned in excess of \$200,000 annually and whose parents left them with financial security. Many received victim compensation funds averaging \$1 million. Almost 50 new organizations were created in the wake of September 11 to distribute almost \$1.5 billion in various forms of aid. More than 40 programs and a dozen institution-specific funds were created to aid victims’ families. One year after 9/11, well over \$100 million was made available in education scholarships, and these amounts did not include a multitude of regional tuition waivers and loan forgiveness programs.

In the nearly two years following 8/25—following Katrina—there has been no comparable public investment in public education in lower or in higher education. Some of the elementary and secondary schools in the areas hit hardest by Katrina are still not opened. And, at the postsecondary level, SUNO, the state’s only public four-year institution in New Orleans that educates disproportionate numbers of students of little advantage is still operating out of trailers and has had its shape and offerings drastically altered by the state legislature in what some believe is an effort

to transform the institution into a two-year institution. A total of \$190 million in federal dollars was appropriated for the state higher education boards in Louisiana and Mississippi: \$95 million each to Louisiana and Mississippi to divide among all higher education institutions that suffered loss as the result of Katrina. Dillard, SUNO, and Xavier alone occasioned \$1 billion in financial loss.

In the immediate aftermath of 9–11, we strengthened the whole community by assisting those whom we considered most vulnerable. In so doing, we demonstrated the faith, hope, and charity that strengthen the human community. In the immediate aftermath of 8–25, we floundered and bungled and have yet to make the level of public investment in rebuilding New Orleans and rebuilding our HBCUs that are the anchors of the devastated areas. To be sure, there were exceptions to this generalization. For example, Under Secretary Jackson's leadership, HUD responded in a decisive and creative manner as did the Department of Education under Secretary Spellings. Other government entities, including National Institute of Minority Health and National Institute of Mental Health responded with swift, affirmative action, but as a whole, the federal response has been lacking.

It is not too late to adjust our public response to Katrina and the rebuilding efforts to demonstrate the faith, hope and charity that make our nation strong. This Committee can begin today by taking a number of steps:

- (1) Require that a percentage of the laboratory and research facilities investment of the Homeland Security Department go to building and strengthening the laboratories and research facilities of the HBCU campuses ravaged by Katrina and of those on the campuses of their Sister HBCUs that are strategically located in frontline responder areas around the country, and could provide the biological, chemical, radiological, nuclear science, technology, computer and information science necessary to prevent, deter, detect, and mitigate the use of weapons of mass destruction;
- (2) Require that a percentage of the scientific and technological resources invested by the Homeland Security Research Agency provide federal, state, and local officials with the technology and capabilities to protect the homeland be set aside for the HBCUs in areas hit hardest by Katrina and for other HBCUs;
- (3) Designate one of the nation's HBCUs as a Homeland Security Center of Excellence and afford these traditionally under resourced, richly diverse higher education institutions the opportunity to bring together leading experts and researchers to conduct multidisciplinary research and education for homeland security solutions;
- (4) Design and operate through NAFEO a new program designed to encourage and support the involvement of high-need, diverse students in meeting a homeland, campus, or community security research, policy or practice need; and
- (5) Invest first in making HBCUs "disaster-resistant universities" (DRUs) (defined as colleges or universities that have incorporated into their overall mission, initiatives to facilitate and enhance communication and the exchange of ideas among its community of students, faculty, scientists, practitioners, and policymakers, in order to identify urgent and important issues and measures related to the understanding and mitigation of natural, technological, and other disasters); and then, equip them to prepare the communities in which they are located. In testimony submitted by NAFEO to this Committee for its May 14th hearing on campus security, readiness and response, we outlined the reasons for this recommendation and why this would be an effective, equitable and efficient investment of sparse public dollars. We wrote in that submission:

"HBCUs must become prepared [to rebuild, protect and secure their communities] not only for the benefit of their campuses and the residents of their campuses, but also for the benefit of the communities in which they are located. As the economic engines and the social and cultural centers for the communities in which they are located, many HBCUs are the providers of services (water, sewer, electricity) for the communities in which they are located. They are uniquely situated and equipped to become first responders to community emergencies and also to train those in the community how to avoid, mitigate, and respond to emergencies and disasters."

We also noted the need for the proposed investments:

"HBCUs are under-resourced and have as the priority for their limited resources student learning and achievement. They are located in areas where a natural disaster is not only possible but also probable—in the Gulf States and on the East Seaboard, where hurricanes are prevalent and in our country's midsection, also known as "Tornado Alley." They are in urban and rural areas where terrorism is a threat and the rates of crime are high. They are clustered around potential target sites such as nuclear facilities, oil and gas supply sources and waste disposal plants."

There is a legislative foundation and precedent for the proposed types of investments in HBCUs in the Executive Order 12876 establishing the White House Initiative on HBCUs, as well as in the Higher Education Act and other federal legislation.

The data show that a postsecondary education is today the engine that drives the American economy. Data also demonstrate that HBCUs are extraordinarily successful at educating African Americans in STEM disciplines, health professions, as teachers and in other high-need professions. The proposed shift in the allocation of already appropriated dollars is the best investment the nation can make in its future:

- HBCUs represent only three percent (3%) of all colleges and universities, yet they enroll fourteen percent (14%) of all African Americans in 4-year degree granting institutions;
- HBCUs graduate thirty percent (30%) of African Americans receiving 4-year degrees, and forty percent (40%) of African Americans receiving 4-year degrees in STEM areas;
- Twenty-four percent (24%) of all PhDs earned each year by African Americans are conferred by twenty four (24) HBCUs;
- Eighteen (18) of the top twenty-three (23) producers of African Americans who go on to receive science-related PhDs are HBCUs;
- Four (4) of the top ten (10) producers of successful African American medical school applicants are HBCUs. These HBCUs produce twenty percent (20%) more African American applicants than the other six (6) institutions combined;
- Eight (8) of the top ten (10) producers of African American engineers are HBCUs.

Thomas Jefferson's admonition that a nation cannot be both ignorant and free is a sober reminder of what's at stake for our nation's future. Recent history has also taught us that a nation cannot be both ignorant and secure.

I thank you, kindly, for affording me the opportunity to submit this testimony. I stand ready to answer any questions you may have.

Chairman THOMPSON. I now recognize Mr. McDonald to summarize his statement for 5 minutes.

BRYAN McDONALD, DIRECTOR, OFFICE OF RECOVERY AND RENEWAL, STATE OF MISSISSIPPI

Mr. McDONALD. Thank you, Mr. Chairman. I would like to thank the members of the House Homeland Security Committee for allowing us to tell you about the tremendous recovery that is occurring in our great State. I want to thank you very much, Mr. Chairman and distinguished members of the committee, for giving us this opportunity to come before with you today and tell you about this.

On August 29th, 2005, Hurricane Katrina gave Mississippi a grievous blow. Katrina completely devastated our entire coastline from Pearlinton to Pascagoula. Our State and our citizens bore the brunt of a hurricane more devastating than anything this Nation has ever seen; and the miles upon miles of utter destruction on the ground were unimaginable, except for those, like many of you, who witnessed it with your own eyes.

But this hurricane wasn't just a calamity for the Mississippi gulf coast. Its impact reached far inland into our State, with hurricane-force winds extending more than 200 miles from the coast and electricity cut off for more than 80 percent of our State's 3 million residents.

Mississippians found themselves having to scramble and adjust and innovate and make do. However, it was the spirit of our people that pulled us through. Our people are strong and resilient and self-reliant. They are not into victimhood. Their spirit has been an inspiration to us all, and that spirit remains the key to our rebuilding and recovery efforts.

We also appreciate FEMA's partnership in cooperation with the State and local units of governments administering the Federal Public Assistance Program. Local governments are working with State and Federal officials to manage the process of obligating and closing out more than \$2.1 billion in public assistance through the Department of Homeland Security and the Federal Emergency Management Agency.

To date, FEMA has generated more than 10,000 project worksheets for repair and rebuilding projects in Mississippi's communities. FEMA serves as a good partner for the State, and we applaud their commitment to work and make the public assistance process sufficient despite the unprecedented destruction of this disaster.

Today, we are working hard to ensure that FEMA focuses its efforts on completion of the public assistance close-out process. Closing existing project worksheets is critical to our recovery and rebuilding efforts. It ensures that local governments receive the final allocations of recovery money and that contractors and subcontractors get paid for work that, in many cases, was completed more than a year ago.

The State places great priority on completion of the outstanding project worksheets, and we are especially concerned that the potential impacts of future disasters in the United States could require mass reallocation of FEMA staff away from the gulf coast, thereby compounding the problem. As a result, we asked that FEMA give particular priority to eliminating the current backlog of PW close-outs.

Another key component in the effective recovery and rebuilding of the coast of Mississippi is the State's comprehensive approach to mitigating against the risk of future storms. We are committed to achieving this goal through the use of FEMA's Hazard Mitigation Grant Program. To date, that program has over \$434 million for use in Mississippi. Participation in the HMGP program requires a 25 percent local cost share which currently stands at about \$145 million.

We want to help the local applicants meet their cost share through the use of HMGP's use of the Global Match provision. Global Match is a process that allows non-Federal funds that are used for other projects that were in keeping with the goals of the hazard mitigation program to count towards that 25 percent local match. The Global Match concept is widely accepted by FEMA.

Mississippi has closed over 90 percent of the eligible phase one homeowner assistance grants totaling more than \$900 million. We believe that the use of those projects for Global Match would eliminate the need for local governments to provide their match with local funds, and we ask for FEMA's continued assistance in making Global Match a viable solution for Mississippi.

As we find ourselves in the implementation phase of recovery, we understand that the work to recover, rebuild and renewal will take years. More importantly, however, it will take the continued support of our Nation's leaders and the American people.

Much opportunity lies ahead. Hurricane Katrina, with all of its destruction, gave birth to renaissance in Mississippi that will result

in rebuilding our State bigger and better than ever before. Our citizens will be at the heart of that effort.

The people of our gulf coast have been a model of the spirit of Mississippians. They have remained strong and resilient and self-reliant though they have endured terrible hardships. They bore the worst of Katrina, and many are still living in conditions that amount to deprivation, but they persevere. Our people are rebuilding one day at a time, and we ask for your continued assistance in the move forward.

Through your efforts and the efforts of the people of our great State, we are rebuilding a Mississippi that will exceed anything you have ever known. I want to thank you again for your time this morning and your continued interest and your continued support.

Chairman THOMPSON. Thank you very much for your testimony.
[The statement of Mr. McDonald follows:]

PREPARED STATEMENT OF BRYAN McDONALD

I'd like to thank the members of the House Homeland Security Committee for allowing us to tell you about the tremendous recovery that is occurring in our great state. Thank you very much Mr. Chairman and Ranking Member and distinguished members of the committee for giving me the opportunity to come before you today.

On August 29, 2005, Hurricane Katrina struck Mississippi a grievous blow. Although the eye of the storm landed at the Mississippi-Louisiana line, that eye was more than thirty miles wide, and Katrina completely devastated our entire coastline, from Pearlinton to Pascagoula. The miles upon miles of utter destruction are unimaginable, except to those like many of you who have witnessed it with your own eyes. But this hurricane wasn't just a calamity for the Mississippi Gulf Coast. Its impact reached far inland in our state with hurricane force winds extending more than 200 miles from the Coast.

The storm claimed the lives of more than 230 Mississippians. The combination of the storm's slow speed and the shallow waters off the Mississippi shoreline created a storm surge in excess of 30 feet in some areas. More than 80 miles of Mississippi coastline were completely destroyed by the mixture of high storm surge and strong winds. In her wake, Katrina left literally tens of thousands of uninhabitable, often obliterated homes; thousands of small businesses in shambles; dozens of schools and public buildings ruined and unusable; highways, ports and railroads, water and sewer systems, all destroyed.

Damage along Mississippi's Gulf Coast was widespread, as damage estimates totaled more than \$125 billion. The Federal Emergency Management Agency (FEMA) reported that 65,380 homes in south Mississippi were severely damaged or destroyed. Electricity was lost for 80 percent of the state's three million residents. More than 45 million cubic yards of debris was left in Hurricane Katrina's wake in south Mississippi—double the debris that was created by Hurricane Andrew. Hurricane Katrina's effects on Mississippi alone, therefore, would rank as the largest natural disaster ever to strike the United States.

Our state and our citizens bore the brunt of a hurricane more devastating than anything this nation had ever seen, and the miles upon miles of utter destruction on the ground was unimaginable—except to those who witnessed it with their own eyes.

Hurricane Katrina destroyed thousands of businesses and billions of dollars in sales revenue were lost. Beachfronts and hotels were obliterated. Losses in livestock and agriculture hit our state's farming community especially hard. Small businesses—the lifeblood of many local economies—were wiped out along the coast line, and many were damaged or destroyed miles inland.

Mississippians found themselves having to scramble, adjust, innovate, and make do. However, it was the spirit of our people that pulled us through. Our people are strong, resilient, and self-reliant. They're not whiners and they're not into victimhood. From day one after the storm they got to work and did what had to be done. They helped themselves and helped their neighbors. Their spirit has been an inspiration to us all, and that spirit remains the key to our recovery, rebuilding and renewal.

However, several barriers to recovery still exist. The Department of Homeland Security, and more specifically, the Federal Emergency Management Agency, has the

opportunity to remove some of those barriers, thus speeding recovery and allowing Coastal Mississippi to meet its potential.

Coastal Mississippi's local units of government have faced an array of challenges since August 29, 2005. Six of the eleven coastal cities elected new, first-term mayors less than two months before Hurricane Katrina made landfall. Although all within miles of each other, these eleven cities each had long-standing, distinct identities and enjoyed diverse economies and populations.

The effects of the storm also were unique to each community. Some cities have seen increased sales tax revenues compared to the same period in the previous fiscal year while others look to loans and government grants to provide necessary services in the near-term. The State of Mississippi has provided grants of direct cash aid to stabilize struggling coastal governments.

Of particular note is the stellar job local governments have done working with state and federal officials to manage the process of obligating and closing out more than \$ 2.1 billion in Public Assistance dollars through the Federal Emergency Management Agency. To date, FEMA has generated more than 10,000 Project Worksheets for repair and rebuilding projects in Mississippi's communities. FEMA has served as a good partner for the state, and we applaud their commitment to work with the state and locals to make this Public Assistance process efficient, despite the unprecedented destruction of this disaster.

Today, we are working hard to ensure that FEMA focuses its efforts on completion of the Public Assistance closeout process. Closing existing project worksheets is critical to ensuring that local governments receive final allocations of recovery money, and thus are able to pay contractors and subcontractors for work that in many cases was completed more than a year ago. The state requests that FEMA commit to a staffing plan that will provide for the closeout of all Category A and B project worksheets by December 31, 2007.

The state also places great priority on completion of the various outstanding project worksheets. We are especially concerned that the potential impacts of future disasters in the United States could force mass relocations of FEMA staff away from the Gulf Coast. As a result, we ask that FEMA give particular priority to eliminating the current backlog of project worksheets by August 31, 2007.

Mississippi is committed to working to maintain the positive momentum and cooperative spirit that exists between FEMA, the state, and locals. In recognition of the cooperative spirit that exists, we also seek to ensure that FEMA headquarters continues to honor critical decisions made by local FEMA leadership and field personnel in the weeks and months immediately following the disaster. We believe it is important for decisions made by local FEMA leaders during the immediate post-disaster environment to be affirmed and upheld throughout the disaster recovery process. It is critical that decisions made on the ground carry weight throughout the agency, such that state and local elected officials can act quickly and in good faith based on those decisions.

Of final note, local units of government have provided great leadership in ensuring that Mississippi is built back better than ever. Following the unprecedented Mississippi Renewal Forum in mid-October 2005, which paired Mississippi architects and elected officials with international experts in architecture and urban planning, most cities along the Coast have sponsored more intensive, multi-day charrettes, or planning and design sessions. These sessions attract the talents of worldwide experts and non-profit community building organizations and also provide broad public participation.

A key component of the effective revitalization of Coastal Mississippi is the state's comprehensive approach to mitigating against the risk of future coastal hazards. We are committed to achieving this goal through intelligent use of Hazard Mitigation Grant Program monies.

The Hazard Mitigation Grant Program is a federal program administered by the Federal Emergency Management Agency that provides post disaster funding to reduce or eliminate the future impacts of natural hazards to lives and property. Some examples of HMGP eligible activities are: residential storm safe rooms, retrofitting public facilities, hardening of public facilities to serve as shelters, buyout of property, elevating homes, and reconstructing homes in a safe manner.

As with most federal grant programs, HMGP requires a 25% non-federal cost share. The Mississippi Emergency Management Agency (MEMA) serves as a sub-grantee and is responsible for establishing project priorities and program oversight. HMGP funds are computed by calculating 7.5% of total federal disaster cost. To date, Hurricane Katrina has generated \$434 million in HMGP funds, thus requiring an estimated \$145 million non-federal cost-share. Mississippi seeks to satisfy this cost share through the application of the "Global Match" concept.

The term "Global Match" generally refers to a non-federal contribution derived from several non-federally funded projects that are pooled together to meet a grant award match commitment. Global Match may also apply when a single non-federally funded project is used to fulfill the match requirement for one or more federally funded projects. Generally, "Global Match" is used to fulfill the 25% or greater local and state match required by FEMA's Hazard Mitigation Grant Program.

It is important to note that the application of the Global Match concept is a completely separate issue from the non-federal match for Public Assistance. The State of Mississippi has set aside funds required for the Public Assistance match.

Mississippi's application of Global Match seeks to allow the 25 percent HMGP match to be met with non-federal funds that were used for other projects that were in keeping with the goals of the Hazard Mitigation Grant Program. The state is tasked with identifying such projects. In most cases, those projects would have qualified under HMGP, but were funded by a separate source (e.g. private monies, insurance proceeds, grants).

Early after Hurricane Katrina, the state recognized that it should pursue the Global Match concept by which non-federal dollars could be applied to all HMGP projects as in-kind (in lieu of cash) match. More specifically, it was identified that Community Development Block Grant funds utilized in the state's Homeowner Assistance Program (HAP) could serve as sufficient match for the entire \$433 million. A Memorandum of Understanding between the Department of Homeland Security and MEMA regarding the eligibility of projects to serve as match for HMGP was drafted and signed in 2006.

The use of Global Match will directly allow our local communities with devastated infrastructure, tax bases and finances, to pursue FEMA approved goals, including, but not limited to, retrofitting public facilities, hardening of public facilities to serve as shelters, buyout of property, etc. In addition, the very communities where need is the greatest have the highest level of inability to provide detailed projects under the HMGP guidelines to secure HMGP funding. Those impacted communities do not have the manpower and finances to document and track the detail required by FEMA for such programs.

Mississippi is working to allow the Homeowner Grant monies spent in conjunction with Mississippi's Homeowner Assistance Program (Phase I, Phase II, and Elevation Program) to qualify for Global Match. This will eliminate the need for local governments to provide the match from local funds. The grants mentioned above should qualify for Global Match because they achieve the same goals as HMGP. FEMA agreed to this at the local level, but was reversed in review. FEMA Region IV ruled that projects must be pre-approved and related cost must be captured and segregated into six categories. In addition, FEMA disallowed all Phase II costs due to the low-income nature of the plan (homeowners over 120 percent AMI do not qualify for Phase II grants). Compliance with Region IV's pre-approval request would have resulted in unallowable delays in Katrina recovery.

The funds utilized by the State in the Homeowner Assistance Program (HAP) should be allowed to fulfill State requirements of Global Match in order to meet the matching requirements of the hazard mitigation grant program. To date the State of Mississippi through the Mississippi Development Authority (MDA) has taken 18,916 applications for Phase I, and has closed 90 percent of the eligible grant applications totaling more than \$900,000,000. As stated in the MDA HAP, Partial Action Plan adopted by HUD, the purpose of the program is to provide a one-time grant payment, up to a maximum of \$150,000, to eligible homeowners who suffered flood damage to their primary residence as of August 29, 2005, from Hurricane Katrina. In exchange for the grant payment, a qualifying homeowner must agree to a mitigation covenant on their property that establishes higher building codes, flood insurance and elevation requirements for the then or future owner of the land. These mitigation covenant requirements and improved standards were implemented after Hurricane Katrina on August 29, 2005.

The mitigation covenant specifically states that the homeowner will now be required to: obtain and maintain flood insurance; rebuild and repair will be in accordance with the much more stringent 2003 international building codes; if rebuilding, the home and all future structures will be elevated to the FEMA advisory flood elevations in effect at that time.

Mitigation has taken place by the placement of the covenant irrespective of whether the homeowner has repaired, rebuilt or left the former home site vacant. The covenant is in place in all cases.

The HAP grant award is not awarded to the homeowner unless the mitigation covenant is attached to the property legally. The mitigation covenant is in perpetuity, runs with the flooded land forever, and permanently impacts that locality. The mitigation covenant fulfills the legislative intent by significantly lessening the

impact of a future similar storm or flooding event. Thus, Phase I funds distributed should be allowed to fulfill State requirements of Global Match in order to meet the matching requirements of the hazard mitigation program.

The FEMA-State Agreement (MOU) presently provides for Global Match. However, it limits Mississippi's ability to qualify Phase I as a global match project because it requires "any project contributing towards the program cost-share must meet all HMGP requirements, including all eligibility criteria." Such criteria, as provided in 44 CFR § 206.434(c), restricts the State of Mississippi's ability to qualify Phase I because of the thousands of separate properties affected thereunder. Environmental assessments, cost-effective analysis and pre-certification of Phase I as they relate to each property are administratively fatal to qualifying Phase I for Global Match.

As a result, Mississippi municipalities under severe financial strain are denied the benefits of the hazard mitigation grant program. Without the ability to utilize Phase I projects as the non-federal portion of the State's cost-share requirement, these counties cannot implement measures to achieve the goals of the hazard mitigation program to reduce the risk of future damage, hardship, loss or suffering, as outlined above. Thus, unless a solution can be found, the intended benefits of the hazard mitigation grant program will not be realized.

Accordingly, the State of Mississippi respectfully requests that FEMA work with us to create an acceptable mechanism to qualify Phase I as consistent with the goals of HMGP so that it will be eligible to serve as then on-federal portion of the cost-share requirement, without requiring an administratively fatal analysis and application process.

FEMA is authorized to waive such administrative regulations under 42 U.S.C. § 5141 (Stafford Act), which states that "[a]ny federal agency charged with the administration of a Federal assistance program, may . . . waive . . . such administrative conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the major disaster." Clearly, Mississippi's inability to qualify for immediate disbursement of available hazard mitigation funds to begin implementation of its hazard mitigation programs is a direct result of the devastating impact of Hurricane Katrina.

Aside from the "Global Match" concept, The State of Mississippi is also working with FEMA ensure that the agency's Reasonable Cost standards are applied in a manner that protects coastal communities in Mississippi that adhered to all Federal, State, and local procurement requirements.

Under the Public Assistance Program, costs that can be directly tied to the performance of eligible work are generally eligible, given that the costs are reasonable and necessary to accomplish the work; compliant with Federal, State, and local requirements for procurement; and reduced by all applicable credits, such as insurance proceeds and salvage values.

FEMA determines that a cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In other words, a reasonable cost is a cost that is both fair and equitable for the type of work being performed.

FEMA currently establishes reasonable cost standards through the use of historical documentation for similar work; average costs for similar work in the area; published unit costs from national cost estimating databases; and FEMA cost codes.

However, due to the unprecedented nature of this disaster, some costs associated with recovery work have been deemed unreasonable by FEMA, despite the fact that applicants adhered to all Federal, State, and local procurement requirements. The state asks that FEMA expand its standards through which reasonable costs are established to take into account all factors contributing to the market conditions that exist in Mississippi's post-disaster environment.

Despite the challenges that exist in Mississippi's post-disaster environment, several opportunities also exist. While many of the recovery projects in Mississippi are being funded through other federal agencies and programs, the Department of Homeland Security and FEMA has a significant role to play in the long term recovery effort.

In fact, the state has entered into a partnership with FEMA for creation and implementation of a Long Term Recovery Process. This process is unprecedented in the fact that it gives the Department of Homeland Security and FEMA an opportunity to lend their expertise to assist in long term recovery project implementation, regardless of the funding sources or federal agencies involved. The State of Mississippi and local FEMA leaders view this proactive process as a model that could guide long term recovery efforts during future disasters. Due to the array of long term recovery

opportunities that exist, the State of Mississippi is working with FEMA to increase the federal resources allocated to the Long Term Recovery Process.

Building on the long term recovery plans written by FEMA's Emergency Support Function 14, the new Long Term Recovery process takes additional steps to identify and secure state and federal resources necessary for long term recovery plan implementation. The Long Term Recovery Process allows FEMA to begin developing best practices for long term recovery to compliment the immediate response expertise the agency already possesses. The Long Term Recovery Process also allows FEMA to develop a program by which it partners with the state and local units of government to move beyond the realm of long term recovery planning, and into the realm of long term recovery implementation. In many cases, long term recovery projects identified in FEMA's plans are being funded through Mississippi's Community Development Block Grant allocations.

Rebuilding and expanding our state's economic infrastructure, creating jobs, and stabilizing our state's insurance market are top priorities. Restoring our state's economic base and tax revenues is critical to the long-term recovery of the state. Federal monies have contributed greatly to the improving quality of life in coastal Mississippi. However, we are still presented with challenges. We are grateful to President Bush and Congress for trusting us with these funds, and we pledge to continue to be good stewards of the taxpayer's money.

Education is the number one economic development issue in Mississippi and in every other state; and it is our number one quality of life issue, too. That is why it is our top priority and why it receives 62% of the state's budget. As such, our schools' recovery from Hurricane Katrina is perhaps one of the finest examples of the many markers of recovery that exist.

Katrina had a devastating impact on Mississippi's public schools. 79 school districts, a total of 263 schools, suffered damage. The storm totally destroyed 16 schools and severely damaged another 24. Only 14 of 152 school districts statewide did not miss any days due to the storm. All told, nearly 80,000 children were out of school in Mississippi immediately after Katrina. However, children did not stay out of school for long, as local school districts and FEMA cleaned up and repaired the schools that received minimal damage and secured portable classrooms for those schools that were more heavily damaged.

Most Mississippi school districts were able to resume operations within two weeks after the storm. A mere six weeks after the storm, all but one school district on the Coast, Bay St. Louis-Waveland, was back open, and that school district opened November 7th. As of the spring semester of the '05-'06 school year, Mississippi K-12 schools in six coastal counties were operating at nearly 90 percent of pre-Katrina enrollment. Those enrollment numbers are even higher today.

There is a real lesson to be learned from the administrators, teachers, students and parents that worked tirelessly to ensure that Hurricane Katrina did not cripple education in South Mississippi.

This testimony would be remiss if it did not also mention the tremendous impact non-governmental organizations have had on our state's recovery. Since the hurricane, we have been overwhelmed by the support of people from across the nation and world willing to help us get back on our feet. Their generosity has been indispensable to Mississippians who are trying to rebuild their homes, communities, and lives. They've been evidence that an awful disaster can bring out the best in people.

Perhaps no sector deserves more gratitude than the faith-based and not-for-profit organizations. These NGOs provided shelter, food, clothing, and financial assistance in the hours following Hurricane Katrina and have been unwavering in their presence and support since then. Many of these volunteer organizations are familiar names, such as the United Way, American Red Cross, Salvation Army, Back Bay Mission, and Catholic Relief Services. Others, such as the Hands On Network, United Methodist Committee on Relief (UMCOR), Kaboom!, and the Mennonites may not have been well known to many South Mississippians before August 29, but now will never be forgotten. Their work and the work of hundreds more like them have restored hope and helped to rebuild lives.

After the untold suffering and loss from the devastation of Katrina, Mississippi is well on its way toward recovery. At this point in the recovery process, the state has worked to fulfill the temporary recovery needs of our citizens, while developing solutions for the long-term problems facing storm-wrecked communities. Much of the federal assistance needed to address the projects and policies identified in state and local plans has been procured. As such, the state now finds itself in the implementation phase of recovery.

We understand that our work to recover, rebuild, and renew will take years. More importantly, however, it will also take the continued support our nation's leaders and the American people. Katrina revealed to the world and to ourselves the char-

acter and spirit of Mississippians. That revelation creates unprecedented opportunity for us and our state - opportunity for job creation and economic prosperity; for a better quality of life for our people; for greater, more widely spread equity that at any other time in our history.

Indeed, much opportunity lies ahead. Hurricane Katrina, with all its destruction, gave birth to a renaissance in Mississippi that will result in rebuilding our state bigger and better than ever before. Our citizens will be at the heart of that renaissance. The people of our Gulf Coast have been a model of the spirit and character Mississippians. They have remained strong, resilient and self-reliant though they have endured terrible hardships. They bore the worst of Katrina and many are still living in conditions that amount to deprivation, but they persevere. Our people are rebuilding one day at a time, and we ask for your continued assistance in helping them move forward. Through your efforts and the efforts of the people of our great state, we are rebuilding a Mississippi that will exceed anything we have ever known.

Thank You.

Chairman THOMPSON. I now recognize Mr. Johnson to summarize his statement for 5 minutes.

STATEMENT OF JEFF JOHNSON, PRESIDENT AND CEO, TRUTH IS POWER

Mr. JOHNSON. I would like to thank you for the opportunity to the ranking members and members of the committee. Thank you for the opportunity.

It is interesting because, despite the fact that I am testifying as a journalist through BET, formally serving as the national youth director of the NAACP and organizing young people all over the country, we have seen on many levels how the story of this tragedy has not just been the great deal of discomfort and tragedy, for that matter, that those residents have had to endure. But the story in many cases have been the normal, average people that have stepped up to try to provide a great deal of service to those who have been displaced, even sometimes as displaced people themselves.

There have been a cadre of community based organizations that have provided a number of services—and I think some of them have even been mentioned today, whether they be Common Ground, the People's Hurricane Relief Fund or Project Heal—that have done everything from serve as conduits to existing resources to ensuring that people actually have the base needs within local communities or the ability to be able to rebuild and recapture some sense of normalcy.

The fund-raising effort, as well, has been engaged by local folks, small organizations, nonprofit organizations and even private citizens. I think Mr. Castellani spoke about the corporate responsibility and the fact that corporate infrastructure has assisted a great deal. BET was one of those corporations that stepped up very early in the game, pulling together a telethon that raised not only \$10 million but I think began to personify the philanthropic power of the entertainment industry and specifically an entertainment industry that had not traditionally been engaged in philanthropic outreach.

So we saw members of the Hip Hop community, whether it was Jay-Z and Puffy, who gave over a million dollars themselves, or whether it was the broader community that traditionally has given in unsophisticated philanthropic ways in their communities, give in very targeted and strategic ways to the aid effort here.

One of the artists that I think really personifies that but goes unmentioned is David Banner, who is an artist that, in the midst of this post-Imus community, probably has some of the most questionable lyrics within Hip Hop but was one of the most avid organizers, especially within the State of Mississippi, that did not get the media attention that we know New Orleans received in galvanizing the members of the Hip Hop community to raise not only a million dollars but to send over 18 tractor trailers of aid and supplies to the gulf coast region in Mississippi specifically.

In my experience within the gulf, I was on the ground immediately pretty much day 10 and working with some of the organizations on the ground. Myself and a young man named Kevin Powell helped to advise and organize a group called Katrina on the Ground, which were college students who gave up their spring break to go down to the gulf coast region and provide aid and services to existing organizations. This was an effort totally and completely run and managed by students and funded on a shoestring budget taking students initially into Selma, Alabama, to be trained and then dispatched into Mississippi and New Orleans to be able to provide aid.

Additionally, I have served as executive director on a documentary called Picking Up the Pieces, which a student named Yasmine Gabriel, who was displaced as a medical student, decided after talking to her FEMA director to get a camera and put together a documentary about the story of students who were displaced. She funded it, she shot it, and she produced it on her own without any help and is now, in fact, I think an example. She moved to Washington, D.C., in less than a week to now enroll in law school. She was in medical school, now is enrolling in law school. It speaks to the power of the students who were involved.

In the short amount of time left, the recommendations that I would give is to assist in building the capacity of these organizations and individuals; building strategic development of legitimate public and private sector partnerships designed to create long-term economic stability for local communities; to have the creation of affordable housing development partnerships between the private sector and local CDCs with percentages of revenues going to support local social programs; the distribution of targeted grant funds to increase capacity of local organizations and nonprofits; and, finally, the support of ongoing student volunteer efforts during summer and spring breaks to ensure that we see students on the ground assisting in the ongoing effort.

Thank you so much, Mr. Chairman, for the opportunity and the committee for allowing us to give our testimony.

Chairman THOMPSON. Thank you very much.

[The statement of Mr. Johnson follows:]

PREPARED STATEMENT OF JEFF JOHNSON

Chairman Thompson, Ranking Member King, and distinguished members of the House Committee on Homeland Security:

My name is Jeff Johnson and I am pleased to appear before you today as the President and CEO of Truth is Power. I greatly appreciate the opportunity to testify on this incredibly important and pressing issue. Hurricane Katrina, and all that came along with the storm, has been labeled as the greatest natural disaster in the history of the United States. However, the "greatest" story may very well be how

the nation's people and small organizations responded to the needs of the citizens in the Gulf Coast region.

There is a cadre of non-profit and community based organizations that have provided everything from assistance with the identification of basic resources to rebuilding homes and reopening small businesses. Organizations like Common Ground, the People's Hurricane Relief Fund and Project Heal are just a few of the organizations that have taken on the Herculean task of providing not only services and resources, but hope to communities throughout the entire Gulf Coast Region.

The People's Hurricane Relief Fund supports and networks service providers of housing, healthcare, case management, and legal services to Internally Displaced Persons (IDPs) and residents, but do not provide direct services. Their web site states, "We Must Build a Strong, Independent Gulf Coast Self-Determination and Reconstruction Movement so the People Can Decide!" They are calling for the convening of the Second Survivors Assembly on Saturday, August 25th through Tuesday, August 28th, 2007 in New Orleans, Louisiana. Another grassroots organization, the Louisiana Environmental Action Network (LEAN) was founded to help Louisiana citizens change the balance of power. By empowering more than one hundred grassroots, community organizations, and countless individuals, LEAN has already helped in gaining a tremendous foothold in the war to make Louisiana's communities safer, healthier places to live. LEAN's expanded efforts will ensure that progression continues in the Gulf Coast region.

The fundraising efforts for much of the work that has taken place in the Gulf has been corporate and grassroots driven. The SOS telethon hosted by Black Entertainment Television is just one example of how the corporate community engaged the average consumer to ensure that work to provide relief immediately after the storm did not come to a screeching halt as a result of limited financial resources. This effort by BET, not only raised over \$10 million, but also personified the philanthropic power of celebrity communities that traditionally do not give beyond the borders of their own neighborhoods.

In my capacity as a journalist for BET, I was made aware of efforts of celebrities utilizing their fame and resources to raise awareness and money for the Gulf. There were artists and entertainers who were natives of Mississippi and New Orleans who were anomalies, as they became ambassadors for their hometowns. One more noteworthy, but less heralded, was David Banner. He highlighted the duality and complexity of the hip-hop community in a "pre-Imus" world. Although David Banner has arguably some of the most controversial lyrics in hip-hop, without prompting or convincing he was one of the first people amongst the African American celebrity community on the ground in Mississippi where very little media attention was given. He galvanized media attention, human resources, and financial resources to provide immediate aid to communities that were not a part of the New Orleans media frenzy. Nearly \$1 million was raised and 18 flat bed trucks full of supplies were sent into Mississippi through his efforts alone. Banner was just one example of several artists within the hip-hop community that stepped up to provide resources in the right places at the right times when the federal government was still making assessments of the damage caused by the hurricane.

As a journalist and organizer, my personal involvement has been in galvanizing students specifically to provide grassroots support to the Gulf Coast and then reporting it. I served as one of the steering committee members of an initiative call Katrina on the Ground. Primarily myself and activist and writer, Kevin Powell of New York, funded the initiative, however students ran it in totality. This student-organized and student-led initiative mobilized over 3,000 students for an alternative Spring Break 2006 to the Gulf Region for the purpose of providing support and increasing capacity to existing organizations on the ground. The students came from all over the Nation as a way to demonstrate that humanity and generosity of the American people extended into a generation that many continue to label lethargic and apathetic.

The students began their service at training in Selma, AL, which served as an introduction for many of them to the reality of what they would see and would experience once they hit the ground in the Gulf. Secondly, the students were provided with an understanding that they were not being deployed to save helpless people, but rather being dispatched to assist a battered set of communities that were resilient in the face of tragedy. Finally, the students were provided base line training in local clean-up, administrative support, and other critical needs. The twenty-something organizer of KOTG, Wesli Spencer, states, "this effort was necessary to show this country the true dedication our generation has to making a difference".

Additionally, I have the pleasure of serving as the Executive Producer of a documentary produced, shot, and funded by a twenty something medical student displaced by Katrina. *Picking Up the Pieces* chronicles the untold story of how college

students in the Gulf region were affected by Katrina. Yasmin Gabriel pulled together several students who share stories of driving across country once to find family members and then again to gain admission into any college or university that will admit them with little to no financial cost. While watching the documentary you are introduced to Patrick Robinson, a 25-year-old student from New Orleans who emotionally recalls his return back to college right before Katrina. He defaulted on his student loans after Katrina due to the expiration of the three-month grace period. He is now working in Baton Rouge with few financial options to return to school. *Picking Up The Pieces* also highlights the struggles of Monique Hill, age 22, who went to Georgia State University after Katrina and after one semester Georgia State attached out of state fees to her tuition and FEMA denied her rental assistance, because neither she nor her roommate could claim head of household. Monique had to drop out of GSU and return to New Orleans to live at home with her parents—only her new home was a FEMA trailer. A young college student's dream deferred to attend business school in Georgia after graduation.

This documentary does more than illustrate the resilience of America's students, but serves as a training video for how students and universities should prepare for and respond to natural and unforeseen disaster situations. The aforementioned projects and initiatives and the students that organized and staffed them should be applauded. However, in some cases they are services that should have been provided or at the very least supported by government resources. In fact, the Department of Homeland Security's Office of the Federal Coordinator for Gulf Coast Rebuilding could very well serve as the primary facilitator for such efforts.

During my last visit to New Orleans I was simultaneously encouraged and horrified. It was evident that there was a renewed spirit in the downtown and French Quarter areas of the city that seemed to have revitalized the important tourism industry of the Big Easy. However, there is little easy about the reality of the Lower 9th ward, Biloxi, MS and countless places between the two that have seen little to no change since the waters receded. There are still communities in FEMA trailers, homeowners unable to gain resources to rebuild, and generational residents indefinitely displaced. This was not the picture of the Gulf I thought we would see over a year later.

In my testimony today, I have attempted to provide you with several examples of private citizens, local organizations, and even large corporations that stepped in to provide service and resources to restore some sense of normality and dignity to the proud people of the Gulf. These organizations and programs cannot fulfill the remaining work that must be accomplished without the support of the Federal Government and more specifically, the Department of Homeland Security. The benefit of the existing scenario is that the infrastructure and staff is already in place. In my trainings, I teach that you need the three C's, Commitment, Competence, & Capacity, to have effective impact during any grassroots campaign. The organizations and individuals on the ground have a proven track record of commitment and competence. They are now just in need of the third "C"; Capacity. The Department of Homeland Security should begin identifying resources and developing viable partnerships with proven community based and non-profit organizations to increase the capacity of the work they have done for the last 18 months. Our country must do all it can to not only support, but also reward the civic and humanitarian ingenuity of citizens who have gone above and beyond to ensure the well being of the common man.

The comprehensive work that needs to take place in the Gulf is multi-leveled and complex. I believe that some of the strategy must include but not be limited to,

1. The strategic development of legitimate public & private sector partnerships designed to create long-term economic stability for local communities.
2. The creation of affordable housing development partnerships between the private sector and local CDC's with percentages of revenue going to the support of local social programs.
3. The distribution of targeted grant funds to increase capacity of local organizations, non-profits, and service providers with proven track records.

Chairman THOMPSON. I would like to thank all of the witnesses for their testimony. I will remind each member that he or she will have 5 minutes to question the panel.

I now recognize myself for the beginning of the questions.

Mr. Johnson, in your testimony, you discussed various efforts that provided support served to the area ravaged by Hurricane

Katrina. Is your testimony that many if not all of these services were provided without the guidance of the Federal Government?

Mr. JOHNSON. In almost all of those cases, yes, sir.

Chairman THOMPSON. Has the Office of Federal Coordinator for Gulf Coast Rebuilding been helpful?

Mr. JOHNSON. In many cases, I don't believe that they—many of those organizations, in a poll that I took, knew that the office was there but have had no contact with anyone within that office. But a large number of the individuals on the ground don't even know that the office exists.

Chairman THOMPSON. And I would just kind of like to ask Mr. Castellani, have you had an ongoing relationship with the Office of Federal Coordinator; and, if you have, can you tell me when that started?

Mr. CASTELLANI. Yes, we have. It began shortly after the office was established.

We had a series of meetings with the office and the head of the office, and they were primarily helpful in pulling together the large number of groups that eventually participated in these initiatives that we are spearheading. So they were helpful in coordinating and bringing together the groups that ultimately formed the coalition that has the Initiative under way.

Chairman THOMPSON. So I guess the point is, on the one hand, they worked substantially with the business community, but when you look at the nonprofit advocacy community, it is questionable.

Mr. CASTELLANI. If I might, the group that was pulled together included business, AFL-CIO, the trade unions, the NAACP, local communities. So the office pulled together those groups. It was not just business that they pulled together, and I didn't want to leave that misimpression. I am sorry.

Chairman THOMPSON. Have you had any, Ms. Baskerville, had any knowledge of—working knowledge of the Office of Federal Coordinator as it relates to the Katrina/Rita response?

Ms. BASKERVILLE. I have not personally had any. I have not personally had contact with that office, Mr. Chairman. But I note that Norman Francis, who is Co-Chair of the Louisiana Recovery Efforts and is President of Xavier University, has been in contact with all of the various coordinating agencies. Norm Francis is not only the President of Xavier, but he is an alumni of Xavier University.

I also note that Lieutenant General Honore, who is the commanding general of the First U.S. Army down in New Orleans, is a proud alum of Southern University and NAFEO Institution; and I trust that General Honore has been in touch with the office. But I have personally not been.

Chairman THOMPSON. Thank you.

Mr. McDonald, as you know, there are some parts of Mississippi that have much farther to go in the recovery effort. Some of it we will see during the break. Two of our committees will be traveling to Mississippi and Louisiana.

What else can the Department do to assist in the rebuilding and recovery process, especially for those citizens that have been left behind?

Mr. McDONALD. Thank you, Mr. Chairman; and I do want to thank you for the field hearings and the continued interest.

I think the first answer to the question is that sustained focus, the focus of this committee, of you, of Congress, on the recovery effort which candidly, as you know as a first responder in your background, is not as appealing as the response effort. Ice and water tends to get more attention than the effort of getting people back into houses and back into jobs.

So the first answer would be the sustained focus and attention of this committee and of Congress; and as we move forward through this disaster, as I indicated, we look for and continue to need a streamlined, accelerated answer to policy questions and issues and the matter of resolution. Be it in the Stafford Act or with other Federal agencies, the ability to continue to assign priorities to the resolution of those recovery issues is certainly critical to where we go from here.

Chairman THOMPSON. I thank you for the response. I think all of us as a committee and individually are on record that the response to Katrina and Rita was woefully inadequate. What we are trying to do with hearings like this is to have history not repeat itself, and it is your testimony and the testimony of others that will lead Congress to try and make sure that that not be the case going forward.

My time has expired. I will now yield 5 minutes to the gentleman from Pennsylvania, Mr. Dent.

Mr. DENT. Thank you, Mr. Chairman; and I guess my question will be to Mr. Castellani.

What sort of State and local government participation does the Gulf Coast Workforce Initiative receive currently?

Mr. CASTELLANI. We receive very substantial support from both Louisiana, Mississippi and growing support from Texas. It has come in a number of forms.

Obviously, the training is being done at the local community colleges and technical colleges, so they have been very much involved, the local departments of labor, the local departments of response. The governors have been very involved. Some of the States have been very involved. So it has been a very broad-based governmental response on the local level to help both recruit, train, and place these graduates of the training program and their jobs.

Mr. DENT. What has been your greatest obstacles in training up to 20,000 displaced or disadvantaged workers?

Mr. CASTELLANI. The two biggest obstacles that we face are ones that we should be able to fix. That is, under privacy restrictions that the colleges operate under right now, we cannot get direct access to the trainees who graduate so that we can place them with the jobs that are available; and that was something we need to work on.

The second is the program that has been running this and will expire at the end of this year, and certainly it has been very valuable at a relatively low cost, so when we are done with the 20,000 there will still be more that will be necessary, but we would urge that the programs continue, the pathways, so the construction program continues.

Mr. DENT. And how does the Initiative's efforts and success in Mississippi differ from the Initiative's efforts and success in Louisiana?

Mr. CASTELLANI. There have been more participants in Louisiana than there have been in Mississippi to date. That has been the focus of a lot of the activity. Of the 5,000 that have been trained, 3,500 have been from the State of Louisiana and the other 1,500 from Mississippi.

What we need to do on our part, and what the State recognizes, both States recognize, and now what Texas is also assisting in, is doing a better job in locating those people who are displaced and getting them into these programs.

Mr. DENT. And to Ms. Baskerville, in your written testimony, you propose that a percentage of DHS laboratory and research and investment should be dedicated to Historically Black Colleges and Universities that were ravaged by Katrina. Assuming that Katrina-ravaged black colleges and Universities are not fully recovered, what time line to you believe would be appropriate for these Universities to begin receiving dedicated DHS research funds?

Ms. BASKERVILLE. I think now is the time to receive the research funds. Dillard and Xavier are up and functioning. Dillard and Xavier have particular strengths in areas of interest to the Homeland Security Department. So the funds could come now, and along with the funds will come their increased ability to serve.

It is a catch-22. If you say wait until they are up to their full capacity, but there are no resources to get them there, they will not, but if we infuse resources now and they are ready to receive, they can build and step in and meet some of our immediate needs.

SUNO is another situation. SUNO, the campus is still displaced. The students and families are still living in trailers. They have not yet returned to their campus. They are in immediate need of some rebuilding so that they can go back.

If I might, sir, I want to draw particular attention to SUNO. It is the only public institution in New Orleans dedicated to educating large numbers of traditionally underserved students. Their student population is disproportionately those from the Ninth Ward. These families are still displaced. The institution is still not up to speed.

So one thing I would urge and encourage is that Homeland Security and the resources that are available through that department be brought to bear to put these students into their education environment. To the extent that they are able to return, their communities will return. These are not students from all around the country. They are students from the Ninth Ward. So if they are able to return, the economy will be stimulated. Health services can return and the like. There will be a rippling impact.

Mr. DENT. Thank you. I will yield back the balance of my time.

Chairman THOMPSON. I will now yield 5 minutes to the gentleman from North Carolina, Mr. Etheridge.

Mr. ETHERIDGE. Thank you.

Let me thank our panelists for being here. We all know we are about roughly 10 days now from what is classified as the start of hurricane season, and those who live in North Carolina know what that means. We have been fortunate in the last couple of years, last year, but not sure that will be the case again this year.

We saw in Hurricanes Katrina and Rita, which was an unprecedented disaster in this country's history, but also we saw public community response which was also unprecedented. Not only did

professional and volunteer first responders, who were our front line to face this kind of emergency, come to the aid of the people in the gulf region, but a lot of the private individuals went, a lot of faith-based groups showed up.

Many took time from their careers, students took time from their studies, and several of you already noted that students were the first to move the grass roots organizations, some newly formed, some are well-established. And the list goes on.

My question to Mr. Johnson is this. What role did grass roots organizers have for the ongoing needs of the region and what are some obstacles that they faced in the beginning versus the obstacles that they face now and how can these obstacles be overcome? You alluded to that in your opening statement.

Mr. JOHNSON. I think that, to really cut to the chase, the obstacles in the beginning were really about trying to assess where they could have the greatest impact, where they wouldn't just be spinning the wheels and where in the midst of this cadre of needs in very specific communities that varied in many ways how could they have impact, as opposed to just scurrying around.

Mr. ETHERIDGE. Because they are so overwhelmed.

Mr. JOHNSON. Absolutely.

I think, over time, the organizations that have lasted and have been able to continue have been able to become niche organizations that have identified specific communities where they need to provide service, have been able to identify specific populations that need service and been able to create the relationships whether they are with the private sector or whether they are just pulling together community folks to keep that going.

I think what the real need is at this point, you have the commitment, you have the competence, but there needs to be capacity, capacity building to ensure consistency and service.

So what the organizations are in need of now is the assistance of building that capacity, whether it is in creating the partnerships that bring in financial resources, whether it is training to increase the expertise of the staff that has had to encounter things they never thought they would encounter before, and whether it is beginning to build I think networks that are already there but creating larger and broader networks between very grass roots individuals that have their hand on the pulse of the community and those that have the greater capacity to be able to provide assistance.

Mr. ETHERIDGE. Thank you.

Mr. Castellani, you talked earlier about building—the focus has been on the building of infrastructure for the future of the gulf region, which I happen to agree is critically important.

My question is this: How are you supporting the enterprises that came in to fill the need in the early days following the disaster; and, second, you have talked about the training that has taken place of building that capacity. What steps are being taken to ensure that your efforts are sustained so that these workers who were trained can find jobs in the region and meet over the long term? I think that is a critical part. It is one thing to train them and get them there now, but more importantly over the long term.

Mr. CASTELLANI. Let me answer the second part of the question first.

Our effort was focused on getting the first to 20,000. What we need to do is transfer the intellectual property that we have collectively developed in the part of this program to an organization that can continue it, and there are some opportunities to do that. We have identified those organizations.

The jobs themselves right now have been predominantly in rebuilding industrial facilities. That is where most of our graduates have gone. They have not yet seen large amounts, we have not yet seen large amounts go into residential reconstruction which will come afterwards, but they have the skills to have a very good job and continue to improve those skills.

Mr. ETHERIDGE. Because if you do it in the infrastructure, which will be water and sewer, you can't build the residential communities until you get infrastructure in place, as you and I both know.

Mr. CASTELLANI. One of the biggest dilemmas we have had is where do you house the workers to build the housing that workers need or build the infrastructure that the workers need. That has been a significant challenge, and that model is coming together.

Mr. ETHERIDGE. Because the long term is going to be critical for a long-term creation for job creation in the region.

Mr. CASTELLANI. Absolutely. And these are skills that can be built on. They come out with basic skills. They can improve in the specifics of carpentry, electrical, plumbing, welding, and continuing to improve those skills.

Mr. ETHERIDGE. Thank you.

Ms. Baskerville, you mentioned there is a disproportionate burden on students in the response, obviously, especially at the HBCUs. My question is, as you look at that, as I happen to have two in my districts, Shaw and Federal, State, but as you look at that, what can Homeland Security do to ensure that our Nation's colleges are prepared for the next disaster? Because it will come. We just don't know when it is going to come.

I think what we need to know is, we may not get back and fix the problem. We have to go back and work on it. But what can we do to be ready for the next one? Because it probably will happen.

Ms. BASKERVILLE. I propose and in my written recommendations I suggest that Homeland Security, through NAFEO, prepare HBCUs to serve as first responders in all of the emergencies. So whether it is the natural disaster or a man-made disaster, our institutions are resources, and I want Homeland Security to look at them as valuable resources. We have engineers and architects. We have a range of the services, health care professionals.

So I propose that we designate the HBCUs around the country. We are in 25 States, the District of Columbia and the Virgin Islands; and we designate the HBCUs as first responders, train a cadre of people there who then become trainers in their respective communities.

I suggest that that is important, and it makes sense because of their strategic locations in areas that are either hardest hit by natural disasters or are prone to man-made disasters because of their location. And we have the data and some charts and graphs that will show that.

Mr. ETHERIDGE. Thank you very much.

I yield back.

Chairman THOMPSON. Thank you very much.

I would like to ask Mr. Castellani—did I get it correct that time?

Mr. CASTELLANI. You did.

Chairman THOMPSON. I know you have been called a lot worse, but I apologize for mispronouncing your name.

One of the issues that Mr. Etheridge and some people have alluded to is this notion of a civilian disaster recovery person within the Department. You know, we still have thousands of people who are displaced because of Katrina and Rita; and there is no real focus, some of us think, from the Department to get these people back. And that is because no one in the Department has that mission. Where do you come down on this?

Mr. CASTELLANI. Well, Mr. Chairman, we have focused our efforts in two areas: One has been the immediate response. That is what our Disaster Response Task Force had been established to do, to mobilize the resources of our member companies, whatever was needed in the initial response. That has presented us with some significant challenges, particularly in the coordination between the Federal, State and local providers for meeting the needs. But we continue to work on those.

We undertook this effort in training skilled construction workers because our members were looking at the communities, of their facilities, their employees, that had been destroyed by the hurricanes and recognized that there were not enough construction workers to rebuild not only the facilities or the plants and the equipment that they own but the communities of the workers and the communities that their families participated in.

We have not been involved in the long-term reconstruction beyond that. So I really do not have an expertise in what the Department can do to help that.

Chairman THOMPSON. Mr. Johnson, you want to take a stab at it?

Mr. JOHNSON. I would be willing to say as well I don't know if my expertise is there, but I do believe and I think that what in many cases is missing, and I step back because I just spent a great deal of time in Liberia, and I mention Liberia because the conversations that they are having right now is how do we bring back these hundreds of thousands of—tens of thousands of citizens who have been in Ghana, who have been in Nigeria, during the time of the war. And I believe that there has to be someone in place within the Department that deals with the logistics of that.

But I think that, as we look at the reality of the region, that it still has to be so connected to much of the work that has to be done. We do ourselves a disservice to talk about how do we bring back thousands of people into areas that are not prepared to receive them. So I think while that person is necessary to deal with the long-term logistics and strategy of returning people to the region, if it is not strategically directly connected to the rebuilding effort, to the creation of jobs, to the rebuilding of communities, then we are organizing people to bring them somewhere that is not prepared to receive them.

Chairman THOMPSON. Thank you.

I will now recognize Mr. Reichert for 5 minutes.

Mr. REICHERT. Thank you, Mr. Chairman.

And thank you for being here today and sharing your testimony. My background is in law enforcement, 33 years with the Kings County Sheriff's Office in Seattle.

My question, first question, is are any of you on the panel familiar with the acronym CPTED, Crime Prevention Through Environmental Design? Your law enforcement agencies in Mississippi and Louisiana and those areas I think might be familiar with this term.

I think it is a great opportunity for all of you to engage in. This is something that is a nationwide program. So as you rebuild businesses, buildings, as you rebuild neighborhoods, you look at building those structures in a way that helps prevent crime.

But it can be extended to include preventing or going back to mitigating the impacts of another Katrina or some other sort of disaster. So as you design and build buildings and roadways and freeways, CPTED can be applied to that. And you can probably have another name for that. But I think it is important, as you look at rebuilding your communities, CPTED discussion would be a valuable one, considering the crime rate that we have heard about and the difficulties therein in addressing crime issues.

Mr. McDonald, Governor Barbour created your office. Can you describe kind of your day-to-day activity and how you managed the recovery and renewal project?

Mr. MCDONALD. I would be glad to.

Our office was created immediately after the disaster; and, as I am prone to say, and those who know me would concur, I am no rocket scientist. It is about getting the job done. It is about getting the folks in the same room, setting up measurements and having accountability.

It is a win-win agenda; and we certainly, as I often say, God bless you, and I love everybody, but we have got to get this done. We have that can-do attitude and with that spirit, we have—actually, we have everyone in the State as well as our Federal partners who will report on a weekly basis. Every Friday, we have a good old tent meeting at the Governor's Office where each of these programs are reported on and we look at measures and measure where we are, where we are going and what the barriers are. And part of the opportunity is to address some of those barriers.

So the office was originally created to provide a vehicle for the efficient deployment and coordination of funds and resources, but, also, Congressman, it was created to provide hope. Immediately after the disaster we had—through the grace of the good people of the country, we had some of the premier design professionals that lent themselves to the design turrets that we had in October of 2005 when we sat down with community leaders who had neither a pot in their window at that time but needed the ability to see what tomorrow could look like with encouragement, and that became the foundation for our department plan. And as we seek to continue to carry that out, we do that through a series of active measurement and accountability.

I will also add that FEMA will play an active role in that. Immediately after the disaster, FEMA, through its function, met with the various districts and identified recovery priorities, and we have

continued to remain engaged with FEMA in asking them to provide resources, which they have done. But additional resources were needed to fulfill that plan that they put together as a roadmap for recovery.

Mr. REICHERT. That was going to be my next question, is your relationship with FEMA.

So I am going to assume that since you are talking about performance measures and barriers and designs, that those performance measures and barriers are documented in some hard form or on the computer somewhere. Would it be possible for us to get a copy of those performance measures and barriers?

Mr. MCDONALD. Absolutely. I would be more than glad to do just that.

Mr. REICHERT. When you said FEMA set some recovery priorities, is that also in a format that we might be able to receive that?

Mr. MCDONALD. I believe some 94 objectives were identified and in cooperation with FEMA experts through the ESF-14 at the various local jurisdictions, and those were adopted and ratified by the local governing entities, and so those are a component part of what the community in working with FEMA have identified as recovery objectives.

Mr. REICHERT. If I could have one quick follow-up.

On the priorities, I would assume then that there were some filters that were used to develop those priorities. The filters also—are they in use as you continue through your day and try to address the recovery issues, as you look at which priorities do you address first?

Mr. MCDONALD. And those are driven at the local level. We are in active communications. As a matter of fact, Ashley Edwards, one of my policy advisers on the coast, lost a home, has been there since day one. And we work daily, six days a week—actually, with six and a half days. Sunday morning we asked to be off, if we can, to remove those barriers.

We are working, Congressman, at a feverish pace. We generally believe what I have said in the testimony, that the window is closing in our ability to get things done. We recognize that the next disaster will bring a change in this landscape.

Mr. REICHERT. Thank you, Mr. Chairman.

Chairman THOMPSON. Thank you very much.

We now yield for 5 minutes to Mr. Carney.

Mr. CARNEY. Thank you, Mr. Chairman; and I want to thank the panel for showing up today. This is very interesting.

Mr. Castellani, in your testimony, you stated that the Business Roundtable works closely with the Department Office of Federal Coordinator. What should the Department do to ensure the ongoing success with programs like this initiative?

Mr. CASTELLANI. One of the things that has been addressed several times has been the issue that has faced us the most, is we have both done the near-term responses as well as the long-term response; and that is the ability to identify needs where they occur, how they can be met. In other words, the basics of supply chain management.

What we think can be improved and should be improved is the ability of the Department to coordinate that capability.

Mr. CASTELLANI. In fact, after Katrina and after the corporate response to it, we created a special study group that was headed up by Ken Chenault of American Express, and that was the single biggest issue that all of our member companies pointed to as being a frustration in response, and that is the inability to have a clear supply chain management infrastructure from the Federal level right down to the ground at the immediate need level. So that is probably the biggest thing that we would recommend for the Department to do, and I think that is a work that still needs to be done.

Mr. CARNEY. So, in your opinion, that would help ensure the success well into the future?

Mr. CASTELLANI. We believe so. I mean one of the things that we had seen time and time again was the inability to match the capability with the need because there was no central point and coordination between central and disperse points in being able to identify that need and communicate it.

Mr. CARNEY. I understand. Thank you very much.

Ms. Baskerville, you stated that HBCUs are uniquely situated and often service first responders in surrounding communities. Can you elaborate a little bit on that?

Ms. BASKERVILLE. They are located in Tornado Alley. They are in areas that are prone to hurricanes. So natural disasters. They are in the Southeast. They are along border States, and they are in those types of areas, but in terms of other potential types of emergencies, they are either located in rural and remote areas, areas of high distress, traditionally underresourced, or they are in urban areas, by and large, areas of high distress, traditionally resourced, and they are around the types of capitals and other facilities that would make them not only prime targets for attacks but prime resources for strengthening the community and protecting the community.

Now, in order to get to that point, they are—

Mr. CARNEY. Well, in what ways? In what ways?

Ms. BASKERVILLE. I am sorry?

Mr. CARNEY. In what ways are they the prime sources of strengthening for the community?

Ms. BASKERVILLE. Because of their location and their resources in the form of faculty, staff, administrators, and students, others who need training, and that goes to my second point and the most important point.

Presently, they are not and they have not been designated as disaster-resistant institutions. However, with resources from Homeland Security, there is a need and a willingness to make them disaster-resistant campuses, to provide them with the training so that they can then train trainers and serve as first responders for their communities.

Mr. CARNEY. OK. Thank you very much.

Mr. McDonald, you talked about the destruction of small businesses in Mississippi. How many of these businesses have been restored?

Mr. McDONALD. Well, Congressman, I do not have specific numbers on the number of businesses that have been restored, but I can give you the feel of the landscape.

I think one of the questions earlier was about repopulating and how do you get folks back, and I would suggest that it is through jobs and housing. Our small businesses were a part of and are a part of this recovery, and as we are able to restart the engine, as we are able to deploy the dollars that have been made available, those small businesses are able to enjoy vitality and success.

Mr. CARNEY. I appreciate that.

Can you provide the committee at some point not too far down the road a list of, certainly, kind of raw numbers of those that have applied versus those that have been put back on their feet in the meantime?

Mr. McDONALD. Absolutely.

Mr. CARNEY. I would appreciate that.

Mr. JOHNSON, finally, I appreciate your testimony, and I have kind of a broader question.

Can you describe some of the recent struggles, the more recent struggles, you have seen in the areas ravaged by the hurricane?

Mr. JOHNSON. Recent struggles of the organizations trying to provide services or the community members, themselves?

Mr. CARNEY. Both.

Mr. JOHNSON. Well, I think that we still see not only in Mississippi but also in New Orleans an inability to gain access to communities that were abandoned whether it is homeowners who have a difficult time getting insurance payments, dealing with insurance companies, whether it is those who do not have the resources to come back to a community where they have been homeowners for decades and who are willing to at least begin to assess what the real costs would be to rebuilding. Many families still do not even have an idea of what the cost would be to rebuild because they have not been able to gain access due to a lack of resources, but then we are also seeing very basic needs. So the reacclimation of students into schools and the reality that—I think there has been a conversation about emotional stress and mental stress with schoolchildren especially. That has not been adequately dealt with. So we have young people who are attempting to be reacclimated into public schools but who are still dealing with stresses of this unbelievable experience that no one is talking to them about, and the organizations that are on the ground in many cases are still dealing with staffing capacity issues. So I cannot reiterate enough the fact that I think that there have been people who have been on the ground since week one and who have stayed on the ground with very little compensation and very little capacity-building resources from their organization speaks to the commitment level. They have been able to create niches in different service areas, which speaks of their ability to evolve to the situation, but there really has to be, I think, a more concentrated effort on strategic partnerships that target specific areas with very clear deliverables and areas of impact to ensure, from the corporate level to the policy level to the grass roots level, that we are creating these comprehensive partnerships that have very clear deliverables and timelines that I think will have a greater impact than some of more sporadic and loose partnerships that we have seen exist up until this point in time.

Mr. CARNEY. Thank you very much.

No more questions, Mr. Chairman.

Chairman THOMPSON. Thank you very much.

I will now yield 5 minutes to the gentleman from Texas, Mr. Green.

Mr. GREEN. Thank you, Mr. Chairman.

Mr. Chairman, I especially thank you for this outstanding panel. We have been served quite well by their insight.

Let me start by indicating that I am very concerned with the rate of progress, as is the case with all persons here, I am sure, when we understand that Congress has appropriated \$110 billion and half of that remains unspent. \$17 billion has gone to the Department of Housing and Urban Development. Approximately \$1.7 billion has reached the actual victims of Katrina; \$42 billion to FEMA, \$25 billion spent; \$5.8 billion to repair levies, \$1.3 billion spent.

So we have appropriated a lot of money, and we are finding that a lot of money has not been spent. Now, I understand that we did not have a paradigm in place for this kind of disaster, but I am concerned with reference to how is it that we can promote the most expeditious utilization of the assets that have been made available.

It seems to me, just based upon what you said, Mr. Johnson, that somebody ought to understand that we need to spend some money on counseling. I have talked to people who have tears welling in their eyes when they have explained their circumstances, and I am talking about recently that it happens. In Houston, Texas, we had children who had come in from Louisiana and from New Orleans, and they had their various acts of friction with kids from Texas—the two cultures, in a sense, were clashing—and it just seems to me that we should have done more to understand that the human condition is still in a recovery mode, and while we can rebuild facilities, we have some people who need some rebuilding as well.

I want you, if you would, to say just a little bit more about your experience with the kids and with their ability to try to handle these circumstances post Katrina.

Mr. JOHNSON. Well, I think it is existing on a number of levels, and I think you mentioned one of them.

If we are dealing with older children and issues of violence in communities where there has been one group that has merged with another group, I think we do a disservice to—I think I hear too often the title of “these crazy people from New Orleans” or “these gangster people from New Orleans” or whatever the term is. I do not often hear us dealing with the reality, especially in a city like Houston, where there were already poor people who were struggling for resources in the city, and now you have exacerbated that by adding another group of poor and displaced people who are now fighting for the same housing, the same jobs but with little, I think, interaction with them on that human level and the counseling level, but there is also a lack of resources information that is provided for them to understand the process. So I think that is part of it.

To directly answer your question, I have dealt with more college students than anything else, and I think college students have been ignored on a number of levels because they are viewed, in many cases, as adults who have the flexibility to move and to do

something different, but the reality is they have had to deal with the psychological effects of losing everything, of being displaced from academic careers that in many cases are now difficult to get back on track, who are now dealing with exacerbated financial issues and being unable to concentrate in class because "I am getting ready to lose the 3-month grace period on my student loan that is going to default."

Mr. GREEN. And I do want you to finish, but I want to ask a couple of other questions. I have got about 32 seconds left. Quickly, let me ask Mr. Castellani:

What is the gender and the ethnicity of the people who are being served?

Mr. CASTELLANI. They are predominantly minority, predominantly African American.

Mr. GREEN. And gender?

Mr. CASTELLANI. Predominantly male.

Mr. GREEN. Quickly to Mr. McDonald.

Mr. McDonald, sir, your paradigm seems to have succeeded to a greater extent than some other paradigms, and my question to you is: What did you do at Genesis such that you now have a better experience at Revelations?

Finally, to Ms. Baskerville, the politics of this have not been properly addressed. We still have people who cannot vote in Louisiana who are living in Texas. What can HBCUs do to help us to develop a paradigm such that we can make sure no one is disenfranchised? When we can have satellite voting in other countries around the world, it would seem to me that there ought to be a paradigm that can accommodate people who live across the line in Houston, Texas such that we do not see the face of the politics change by virtue of the natural disaster that, obviously, we want to try to recover from.

I yield back the balance of my time. Hopefully, I can hear some answers. Thank you, Mr. Chairman.

Mr. McDONALD. If I might, Mr. Chairman. I can briefly answer your question, Mr. Congressman.

I would say that, with Genesis to Revelations, one of the things that Mississippi did was that Moses came down from the mountain with the Commandments. The Governor came down with a very clear understanding and tone, and there was measurement and accountability, and we are all very clear that the rapture will come if we do not meet those expectations, and it is with that focus that with what we can control that we internally work with our State partners and our Federal partners to identify those barriers on a weekly basis. I know you are tired of hearing me say that, but on a weekly basis, what is our progress? Where are we going? What is the barrier? What can we do about it? It is a sustained focus.

Ms. BASKERVILLE. NAFEO has worked and is continuing to work with the National Black Caucus of State Legislators and with others to engage our students in particular but others on the campus in helping to identify and, first of all, return those persons who can go back to the New Orleans area so that they can participate in the electoral process.

We presently have a request for funding that would enable our students to go out and help count heads with the census so that

we can identify people who have been removed and, most importantly, reconnect them with their home base so that, in turn, they will be able to get the type of Federal resources and other things that flow from the census count.

In the election that just passed, we sent teams of workers from our campuses, not only at Prairie View and Texas Southern but others in Texas and others around the country, and we are continuing to do that, and I agree that we have to play, and we are, again, well-situated, well resourced. We have people who we can put on the ground at any moment to do that. Many of them come from the affected communities, and so they are well-received.

Chairman THOMPSON. Thank you very much.

We now recognize the ranking member for 5 minutes for questions.

Mr. KING. I thank the chairman for yielding, and I will not take my 5 minutes. I was delayed in New York, and I missed the first part of the hearing. I read some of the testimony, and I have been going through the statements. I have just heard part of the hearing today.

So I just want to thank you, Mr. Chairman, for having the hearing. It is, obviously, an issue which must be addressed. Nothing bothers me more than people who parachute and ask questions that have already been asked or ask and go back over, so I am not going to impose any questions on you.

I will thank you for your testimony today. I will thank the chairman for having the hearing and assure him of my cooperation and the cooperation of the minority in working with you as we go forward in dealing with Katrina.

I yield back.

Chairman THOMPSON. Thank you very much. That was a fine comment you made.

We will now recognize the gentlelady from New York, Mrs. Lowey. Mrs. Christensen is going to take the chair.

Mrs. LOWEY. Well, OK.

Well, let me thank the chairman, too, for holding this very important hearing. I wish we could get the job done and stop having the hearings on it, Mr. Chairman. This has been going on for a long time, and I appreciate your activism on these issues, and I thank the panel for your testimony.

One of the many problems that is brought to my attention is the inability to find affordable housing on the gulf coast. More than a year and a half after Hurricane Katrina, more than 90,000 families, as we know, are still living in trailers, and this is outrageous. It is not acceptable. It seems to me that we have to really work to transition people to permanent residences and do everything we can to facilitate the repair and the construction of affordable housing.

A specific problem that I have noticed is that landlords are largely unable to receive grants to repair property which is not their primary residence, and this means that anyone who rents low—or moderate-income housing to tenants must be able to secure a loan to make necessary repairs before a displaced family can find a more permanent place to live.

I have been working on legislation to address this issue to provide assistance to landlords who will make repairs and provide affordable housing for displaced individuals. Pre-Katrina renter levels in New Orleans were over 50 percent. So, essentially, these former renters are homeless.

Mr. McDonald, in your experience in Mississippi, have you noticed problems associated with landlords not being able to rebuild the units for their tenants because they have financial hardship?

Then I would be interested to know if anyone else on the panel could comment on this issue.

Mr. McDONALD. Thank you, Congresswoman, for the question, for the inquiry.

We certainly have. It is only natural that the first level of focus for the local landlord is taking care of their house and getting that back into good shape. What Mississippi has done through the use of its CDBG monies is we are currently in the public comment period. We have 3 days remaining in our public comment period where we are seeking with some \$150 million worth of CDBG money to incent the construction of 5,000 affordable rental homes. In order to participate in the program, an eligible applicant would have to, among other things, commit to keep it affordable for a 5-year period as the plan is currently drafted, and those affordable rates are as defined by HUD and would apply to those at 80 percent of the AMI or below. There is a provision where, based on the number of units constructed, a portion of those could be for 120 percent of AMI or below but certainly affordable housing. We are very excited about that plan, and we really genuinely believe that that is a critical part of a solution but also in bringing some peace to the folks who we find who cannot locate or would like to secure that affordable housing who are still occupying FEMA travel trailers, you know, some 2 years after the disaster.

Mrs. LOWEY. Now, a good portion of your testimony mentions Global Match and issues surrounding non-Federal match requirements. After Hurricane Andrew and September 11th, the Federal Government waived the 25-percent matching requirement, and it is unbelievable that the administration has not chosen to take the same step after the unprecedented amount of damage sustained along the gulf coast from Hurricane Katrina.

Could you comment on how would a waiver for non-Federal cost share requirement speed recovery, and has Governor Barbour requested that the administration waive the requirements?

Mr. McDONALD. Well, to distinguish between the issues—and they get rather muddied quickly—but the PA match, the public assistance match, and the Global Match are two separate and distinct issues. Of course, Mississippi has set aside the monies for its PA match. The foundation for that, of course, in this disaster were that PA monies were paid at 100 percent for categories A and B, the nonpermanent work, so there is no match for that work. In Mississippi's case, in round numbers, that was about \$1 billion of our \$2 billion PA obligation. So, for that portion, there is no local match required, and that is why I suggested it in my testimony as one of the reasons why we are eager to see that those PWs are closed out and moved forward.

For the permanent work, of course the issue of match is that of good stewardship and cost control, simply stated, that the local community has an investment, an economic investment, in making sure that the best deal that can be obtained is obtained in the procurement of that work. We have worked with our local communities and continue to work with them on the issues that present themselves, but the hazard mitigation money, the 25-percent Global Match for hazard mitigation, is one that I, as a numbers person, really struggle with because this is an option that FEMA has provisions to allow, and we really would like for them to embrace that and to work with us to remove the barriers to removing that, some \$135 million worth of obligations from the backs of the locals.

Mrs. LOWEY. Well, I thank you, and I see my time is up. I would just be interested in if you see any movement, any response to this request.

Mr. McDONALD. At present, we have had good conversation at all levels, and I mean that sincerely. They have responded—we truly do work 6–1/2 days a week. As a matter of fact, at the conclusion of today, I hope to have additional conversation on just the Global Match issue. It is a policy interpretation that FEMA is struggling to get right, and we certainly want to assist them with that.

Mrs. LOWEY. Thank you.

Thank you, Madam Chair.

Mrs. CHRISTENSEN. [Presiding] Thank you. Thank you for your questions. I would like to welcome the panel and recognize myself for 5 minutes.

I just want to join my other colleagues in just voicing my frustration with some of the slowness that we have seen, particularly in New Orleans but also in Mississippi in our recovery, and I just recently received this update on New Orleans, May 2007, and there is still so much that needs to be done. I have one question for each of you.

Mr. Castellani, I think you answered it to Mr. Green about the ethnicity and gender. My question was more to what percent of the people or how many of the people you are training are from the affected areas.

Mr. CASTELLANI. Almost all.

Mrs. CHRISTENSEN. Almost all. OK.

The program sounds like a very good one. Is it one that you think should be replicated? You talked about some of the programs you use. Some businesses have funded some parts. Labor has funded others.

Are there enough programs already in place to replicate this someplace else or should we look at creating something?

Mr. CASTELLANI. No. I think the experience—the programs are there. The experience that we have gained in working with the States and in working with the community colleges and in working with the municipalities is something that should be transferred around the country. This is not just a shortage in the gulf region; it is a shortage around the country but exacerbated by the hurricanes. More importantly, it is an opportunity for people who had no skills to get a well-paid, highly skilled job.

Mrs. CHRISTENSEN. Thank you.

Ms. Baskerville, it is good to see you. I remember our meeting in New Orleans at your annual conference back a few years ago, and you have come a long way since then even though I know we have a lot more that needs to be done, so I want to congratulate NAFEO on your hard work and your leadership over these last couple of years.

Ms. BASKERVILLE. Well, I want to thank you and thank you for the giving of your time to come down and to be a part of the field hearing that we were having at the time when we heard firsthand what was going on, not only with the HBCUs but with the community and particularly those least advantaged, but I thank you.

Mrs. CHRISTENSEN. We will be back.

Ms. BASKERVILLE. NAFEO is looking forward to having our Presidential Peer this summer in your district, and we are hoping we will see you there.

Mrs. CHRISTENSEN. Great. You know, my question to you is—I have been dealing a lot, as you can imagine, with the health community, and a lot of doctors had to leave, and other health professionals had to leave, and some of them have not been able to return.

Have most of your teachers, your professors, your faculty returned?

Ms. BASKERVILLE. Many of them have returned, and some have returned with the assistance from the National Institute of Minority Health. We are at about 80 percent capacity. Then we have had some health professionals who were not in the immediately affected area who have come in who are offering physical health, mental health and other types of—

Mrs. CHRISTENSEN. But your faculty has come back?

Ms. BASKERVILLE. About 80 percent of our faculty has returned.

Mrs. CHRISTENSEN. That is good.

Mr. McDonald—

Ms. BASKERVILLE. May I just respond for one moment on the question to Mr. Castellani?

Mrs. CHRISTENSEN. Sure.

Ms. BASKERVILLE. I want to offer, in the event that he does not know, that the City College of Chicago, which is a NAFEO member, has one of the country's leading programs to train diverse construction workers, and I am sure you are connected with them, but if not, I would love to connect you with Chancellor Wayne Watson and involve them because they testified at the hearing in New Orleans and said that they stand ready to not only help to train folks but to involve many of those who they have trained in the rebuilding effort.

Mr. CASTELLANI. Great.

Ms. BASKERVILLE. Thank you.

Mrs. CHRISTENSEN. OK. Thank you for adding that.

Mr. McDonald, in your testimony, you talked about housing and education and small business. I wanted to ask a question about your health care system.

New Orleans was pretty well wiped out. Was it not as bad in Mississippi? Wherever you were right after the storm, where are you in terms of your recovery?

Mr. McDONALD. Madam Chair, I cannot speak in direct comparison to New Orleans. I can tell you my sense is that that situation was devastating because, as you know, we faced an unheralded hurricane. Louisiana faced, you know, two hurricanes and a flood. They were 90 days awaiting water to recede, and we were 90 days into recovery. So I really cannot speak to their State.

I can tell you that our health care system was significantly impacted, and as a result of Federal resources as well as State resources, great strides have been made in recovery. In terms of the state of the health care system today, I believe that it is much, much closer to where it was prior to Katrina, and frankly, I think it has allowed us to develop capacity in a more robust health care system.

However, I can tell you that many of those plans are still in the development and implementation phases, and so we are by no means where we want to be, but we feel good about the direction in which we are moving.

Mrs. CHRISTENSEN. Thank you.

Mr. Johnson, just from experience, we know that if it were not for the faith-based and not-for-profits and groups like yours, we would have been a lot worse off in the gulf region. I was just wondering, since I remember getting calls from the National Medical Association and doctors not being able to get in to help, did you face many barriers getting in, and what can we do to fix that? What would you suggest?

Mr. JOHNSON. Well, I think, very early, it was difficult getting in. I do not think that would be a problem now. Again, for me, I think at this point it is about supporting organizations that are on the ground, and so supporting organizations that have already been there adds the ability to assist those who are coming in because they need an ambassador, if you will, to those local communities. So I do not believe at this point that there is as much difficulty in getting in. I think that the organizations on the ground as well as the corporate partners and others have done a good job of publicizing themselves enough for those who come in from the outside who want to help, but they have a tributary to do so.

Mrs. CHRISTENSEN. Thank you.

Thank you, Mr. Jindal, for allowing Congresswoman Jackson Lee to ask her questions so that she can get to her other hearing.

I now recognize Congresswoman Jackson Lee for 5 minutes.

Ms. JACKSON LEE. Let me thank the chairperson of the committee and the acting chairperson. I want to acknowledge that if there is a champion for the issues of the gulf coast, it is our chairman, Mr. Thompson, working very closely with Chairman King.

Allow me to welcome the Alamo Community College, which is in the room, and I hope that they are gaining a great deal of experience in terms of, hopefully, sensing the concern of this committee for what I think is a very crucial issue.

I do want to express my appreciation, as I begin, for the witnesses—Mr. Castellani, Ms. Baskerville, Mr. McDonald, and Mr. Johnson. Certainly, as we in a very appreciative way speak of Lezli, we thank you so very much for your passion and what you have faced over the last couple of months as it relates to our universities.

Let me do this, Madam Chair. I would like to ask unanimous consent to put in this series of pictures submitted by the Moreau family, of Meraux, Louisiana, that really speak to the continuing devastation that is going on. Madam Chair, I ask unanimous consent to put these into the record.

Mrs. CHRISTENSEN. Without objection, so ordered.
[The information follows:]



submitted by the Moreau family - Meraux, Louisiana



submitted by the Moreau family - Meraux, Louisiana



submitted by the Moreau family - Meraux, Louisiana

Ms. JACKSON LEE. Thank you.

I then want to take time, if I can put my hands on it, to read from an article—and maybe Mr. Johnson is aware of this group—that was in the USA Today on Monday, the 21st. Let me just read it for the record.

People—black, white, Hispanics—live without electricity, plumbing and any kind of economic stability. Virtually all businesses, big and small, remain vacant ruins. New Orleans has essentially become America's forgotten city. Although initially only a natural disaster, in its aftermath Hurricane Katrina has exposed the inhumanity of all of our Federal and State governments and the corporate business community.

So my line of questioning will be, first, to acknowledge and appreciate the private sector, but it will be a mountain of frustration. How do we get where we have been trying to get for 2 years? We want to have a magic wand. I do not know if it is a magic wand. It is meticulous. It is steady. So I will go down, and if I can get cryptic answers, I appreciate it because I do have a number of those questions.

Mr. Castellani, I know that you are dealing with businesses, and my frustration is, of course, that the numbers of small—and medium-sized minority businesses who are still in Houston, for example, are not able to access funds. How do they access you and what you are doing?

Mr. CASTELLANI. Well, they can access us through any of the partners if, in fact, for our activity they need workers who can help in reconstruction. Specifically in Houston, our partner is the Houston Business Roundtable and the Houston Community College System. So, if they access that or call us at “1 (800) IMGREAT,” we will get that—

Ms. JACKSON LEE. Do you have the percentage of businesses you have been able to help or the number?

Mr. CASTELLANI. The businesses that have been able to help in the training—

Ms. JACKSON LEE. No, that you have been able to help or those that have been able to access your resources.

Mr. CASTELLANI. No, I do not.

Ms. JACKSON LEE. Do you know if it is 10 percent or 25 percent?

Mr. CASTELLANI. No, ma'am. Our focus is on the training of individuals who will then go get employment and who are getting employment at construction companies for rebuilding the area.

Ms. JACKSON LEE. Do you know how many of those individuals have gone to small—and medium-sized minority construction companies?

Mr. CASTELLANI. I do not know what the break is. No, we do not.

Ms. JACKSON LEE. Would you be kind enough to share those numbers and possibly share the numbers of the businesses that you have impacted by these trained individuals?

Mr. CASTELLANI. Yes.

[The information follows:]

Gulf Coast Workforce Development Initiative
Construction Training Summary
May 9, 2007 Report

	Month Ending			
	February 2007	March 2007	April 2007	May 2007
Mississippi				
National Emergency Grant Funded Training				
Currently Enrolled	10	163	163	
Completed Training	477	534	534	
Subtotal	487	697	697	
High Growth Initiatives				
Currently Enrolled		27	25	
Completed Training		87	93	
Subtotal		112	118	
US DOL Pathways to Construction Funded Training				
Currently Enrolled	173	722	171	
Completed Training	715	568	663	
Subtotal	888	690	834	
GCWDI Funded Training				
Currently Enrolled				
Completed Training	18	18	18	
Subtotal	18	18	18	
Mississippi Totals				
Currently Enrolled	183	310	359	
Completed Training	1210	1207	1308	
Total	1393	1517	1667	
Louisiana				
State of Louisiana Pathways to Construction Funded Training				
Currently Enrolled	2345	2587	2488	
Completed Training	1064	2079	2310	
Subtotal	3409	4666	4798	
US DOL Pathways to Construction Funded Training				
Currently Enrolled	563	506	635	
Completed Training	796	666	694	
Subtotal	1349	1392	1529	
LDOL High Growth Initiatives				
Currently Enrolled			0	
Completed Training			309	
Subtotal			309	
Louisiana Totals				
Currently Enrolled	2908	3093	3123	
Completed Training	1860	2965	3513	
Total	4768	6058	6636	
Texas				
Golden Triangle Area Construction Training				
Currently Enrolled	55	58	58	
Completed Training	0	19	19	
Subtotal	55	77	77	
Houston Construction Careers Initiative Training				
Currently Enrolled			0	
Completed Training			15	
Subtotal			15	
Texas Totals				
Currently Enrolled	55	58	58	
Completed Training	0	19	34	
Total	55	77	92	
Combined Totals				
Currently Enrolled	3146	3461	3540	
Completed Training	3060	4191	4855	
Grand Total	6206	7652	8395	

Ms. JACKSON LEE. Ms. Baskerville, I know that, historically, black colleges are strong; they are survivors. Let me make mention of the trials and tribulations of those students who were holed up, if you will, on the fourth and fifth floors, I believe it was, at Xavier who had to be literally rescued and who were almost forgotten, and our hearts go out to them and to their families.

What has the U.S. Department of Education done to particularly focus on the plight of the black colleges impacted or to reach out to your organization to be helpful?

Ms. BASKERVILLE. Working with NAFEO, the Department of Education initially rechanneled its TRIO dollars so that dollars could go directly to institutions that were ravaged but also to those

that were receiving them, because as you talked about the students who were displaced and so forth, we requested that the black college community incorporate them in their campuses, and so the Department immediately stepped up and did that.

Ms. JACKSON LEE. And because my time is going, can I just do a series?

Have they continued to help? Can they do more, is the question.

Ms. BASKERVILLE. Well, they certainly can do more.

Ms. JACKSON LEE. For example, as to those individuals who find themselves out of school for a semester, have they been sensitive to that Pell Grant repayment or loan grant repayment?

Ms. BASKERVILLE. Yes. They work with us, and we now have legislation that allows for special circumstances with regard to Stafford and other loans and Pell, and we are continuing to work with them on those issues.

Ms. JACKSON LEE. Would you provide us in writing what you would hope that the Department of Education could do more of? I think it is important. The public-private partnerships, you all have done a great job, but I hope that you would focus as well on what more they could do.

If the chairwoman would indulge me, I would like to get to Mr. Johnson and just make a statement to Mr. McDonald.

Mr. McDonald, there was a constituent in my district this past weekend from Pascagoula, a senior citizen, who said she has not—I do not have her name, but if I can, my office will try to get you her card information. She has indicated that she is still without dollars to reconstruct her home. I know that there is a distinction between people's means. So I will just leave that on the table.

Mr. Johnson, why don't you just do as you have always done, truth to power? The private partnership is vital, but could you give us three points that the Federal Government has to do, from your perspective, before we can get from point A, maybe, to point M or to point Z in the alphabet?

Mr. JOHNSON. First and foremost, I think there should be greater strategy on the ground in one's assessing what needs to be done from a housing perspective in particular and job creation, second, because I think that, in many cases, it has been left to the private sector to create that strategy in many cases; two, to be able to identify funds for grants for local organizations to increase capacity, provide resources for training, that those staffers would be able to increase capacity and create partnerships with the Federal agencies to ensure that they had the ability to build infrastructure for the services that they are providing; then lastly, identify dollars and partnerships with both private and public institutions to ensure that college students can continue to be the army of volunteers who are dispatched, not just to New Orleans but to the entire gulf coast region, so that we continue to have an army of people on the ground who are providing bodies inside and energy to make this effort long-term and real.

Ms. JACKSON LEE. I thank you.

Mr. McDonald, one quick question. There are many people in trailers. Don't you think it would be better if we could get prefab houses on the ground or constructed houses on the ground—"prefab" I would call them—or temporary houses on the ground

and get them out of these trailers both in Mississippi and in Louisiana?

Mr. McDONALD. Absolutely, I think getting them out of the trailers in both is primary, and that is something—

Ms. JACKSON LEE. Well, we want to work with both States on that, and I am only moving quickly because of the time, but you have laid the groundwork. We need to do it.

Mr. Johnson, you have laid the frustration or the framework of the frustration which many of us would like to see expanded. The article that I mentioned to you—and I want to put another article in as I conclude—was—and I will name the group—a group called Emergency Communities, and these were college students who came. You are absolutely right. They want to come. How can they be protected? When I was there, some of them were injured; they had health care issues, of course, because they were working hard.

Madam Chair, may I just put into the record and ask for a report again? I have asked repeatedly. This is an article from Facing South, No Road Home for Katrina Evacuees. Again, ICF, the atrocious lack of action of this contractor. It has to do with the catastrophe that tens of thousands of houses remain vacant because they have not had the journey home—

Mrs. CHRISTENSEN. Without objection.

The lady's time has long expired.

I now yield 5 minutes to the gentleman from Louisiana.

[The information follows:]

The Institute for Southern Studies
FACING SOUTH
BLOGGING FOR A PROGRESSIVE SOUTH
MONDAY, MAY 14, 2007

No "Road Home" for Katrina evacuees

After Hurricane Katrina struck 20 months ago, it took nearly a year before federal and state lawmakers even created a program to help homeowners displaced by the storm. As *we reported in February 2007* (pdf), 18 months after the storm Louisiana's infamous "Road Home" plan —derisively called the "Road Block" program by locals—had only given money to 97 out of 130,000 homeowners who had asked for assistance.

Thanks to a spending spree in the last month, that number has now gone up to 16,000 (still only 12% of the total)—just in time for the program to *run out of money*, as the *Washington Post* reported this weekend:

The massive federally funded program for rebuilding Louisiana homes is short nearly \$3 billion, administrators told a state legislative panel here today, leaving uncertain for now how the owners of roughly 100,000 flood-wrecked houses here will be compensated. [. . .]

More than 20 months after the Katrina catastrophe, tens of thousands of houses remain vacant, in part because of administrative delays in the aid program, the largest single source of direct federal help for homeowners. To date, only 16,000 of 130,000 applicants have received money.

What's the cause of this astounding failure?

Many point to the out-sourcing of the Road Home program to **ICF Emergency Management Services**, which received a \$756 million, three-year contract to run it. ICF EMS is a subsidiary of ICF International, which has gotten 72% of its work in recent years from federal agencies like the Department of Homeland Security. But none of these jobs have involved administering major programs for consumers, as the *New Orleans Times-Picayune* reported last December: *Typical contracts, according to the company's public filings, involved work such as conducting training exercises and drills each year to test emergency preparedness in regions with nuclear power plants.*

Last year, when it was clear the program was failing, the Louisiana state house voted 97–1 to approve a resolution demanding Gov. Kathleen Blanco cancel the contract with ICF—but state leaders ultimately decided against it because it could involve losing even more money.

Meanwhile, ICF had done well for itself. After landing the Road Home contract last year, they *raked in \$49 million from a public stock offering* last October, which had benefits for ICF employees:

So far, . . . the contract has been very good for ICF. After the company went public, it distributed \$2.7 million in one-time bonuses to 30 of its top managers.

If only the thousands of families still locked out of their homes in New Orleans were so lucky.

Ms. JACKSON LEE. I thank Mr. Jindal for his kindness. Thank you.

Mr. JINDAL. I thank my colleague.

I thank the chairman as well.

I also want to thank our panel for their hard work and for their testimony. I have really got two different sets of questions, and I will address them to the entire panel.

The first set really has to do—I want to build on what my colleagues have spoken about today. I know my colleagues have been astonished to learn about how long FEMA has known about these travel trailers that have been provided to thousands of residents in Louisiana and Mississippi, and many of these trailers have dangerous levels of formaldehyde.

What is especially concerning is that FEMA and the EPA may have been aware of these health risks for several months. According to recent news reports, 83 percent of these trailers tested by an outside group, the formaldehyde levels were above the acceptable EPA exposure standards. That means, for several months, perhaps thousands of families, especially children and the elderly, may have been exposed to these toxic fumes, and there are health risks.

So my first set of questions has to do with the level of this problem in Mississippi. I know the chairman of our full committee has expressed his concern about this issue in Mississippi. In addition to that, I know FEMA has allocated up to \$281 million for the construction of three alternative housing units in Mississippi, and I am curious to learn if the States intend to use these alternative housing funds to move disaster victims out of some of these travel trailers. Then finally, on this first question, in terms of working in your State, has FEMA been responsive in releasing reports on the risks associated with exposure to the formaldehyde or other risks in being in these trailers?

I have got a second group of questions. Let me start with that in terms of the danger of the trailers and the efforts you all are exercising to move people out of these trailers.

Mr. McDONALD. Well, Congressman, I will try to be brief out of respect for the balance of your questions.

Of course, the primary answer to the travel trailer question is getting folks into permanent housing. Now, having said that, I am not the first person directly connected with the individual assistance, the IA portion of FEMA on the formaldehyde issue. I will tell you that I am the first person connected with them on getting good numbers on exactly what we have in travel trailers right now. That population is the population of focus.

The \$281 million that you mentioned in the alternative housing pilot program to create the models is well underway in deployment. I can tell you that we have dealt with issues associated with policy interpretation at the FEMA level. There have been some barriers

in helping us deploy those as quickly as we would want to. We have laid the contract. We have awarded the contract to begin the construction of those, and we expect full deployment certainly by the end of this year but much sooner than that. So that is part of the answer to the formaldehyde question.

I have followed and continue to follow the issue as well, and again, our response is we are concerned about getting the residents out of there both for mental safety and physical safety because 2 years after a disaster, to live in a FEMA travel trailer, is just unbearable.

Mr. JINDAL. Absolutely. Do you have any sense of when you might be finished moving people out of trailers into permanent housing, alternative housing?

Mr. McDONALD. Well, we have certainly set deadlines for the alternative housing pilot program, which based on the way the bids come in, will create 4,000 to 6,000 units. The deployment of that is certainly by the end of this year, and again, I expect to exceed that significantly.

Mr. JINDAL. That is great. Thank you.

I will ask my second round of questions and certainly let the panel respond to either set of questions.

Almost immediately after Katrina, Governor Barbour created the Governor's Commission on Recovery, Rebuilding and Renewal to identify rebuilding or development options for the State. The commission comprised 20 committees—I do not need to tell the folks from Mississippi this—which held many public forums and whose work culminated in a final report in December of 2005 with 238 policy recommendations with a range of rebuilding priorities and funding mechanisms, and I guess I have got two parts to my question.

The first is: What are the biggest obstacles the State has faced in implementing this rebuilding plan? The second half of the question—and it is a little bit of a leading question, I will admit, but I feel strongly: Would FEMA's—would the non-Federal match—if they would waive the State match and the local match especially with the hazard mitigation grant program, if they would just be consistent with what they have done in previous disasters, wouldn't that assist the State in implementing this plan and assist the State in its recovery?

Again, I know it is a leading question, and I think you know what I think on that question.

The second half of my question has to do with the plan. What are some of the obstacles the State has faced?

Mr. McDONALD. Well, Congressman, I would say the biggest obstacles are organizing, sustaining, providing measurement in the midst of chaos, and let us recall that in these same communities, these folks who are kind enough to sit and plan and to set goals for the community are also dealing with the issue of no house, displaced family members, all of the issues that are present in this disaster.

Part of our job is to provide that continuity and that sustained measure, so I would suggest that one of our largest obstacles is remaining on course, working with the Federal partners to make sure that we have a coordinated effort where HUD, FEMA, the

Federal Highway Administration, and various other Federal agencies are all pulling in the same direction, and that is the direction as defined by the community, not as defined from up high, but it is defined by the community. So making that a moving work in progress has been something that is of great importance and is a priority to us. It is our priority. That is what we do.

The second part of your question on the match, as I stated before, is we certainly identified for us \$1 million worth of RPA money as category A. It is 100 percent money anyway. For the remaining \$1 billion, that does involve a 90/10 percent match. In Mississippi's case, the State picks up 5 percent, and 5 percent is left to the local, and provisions have been made in order to address that.

In terms of big dollars—and I am a dollars guy—the big dollars are in the Global Match, and the request there is to allow the work that has already been done to count as that spirited-in-kind match. That would be a tremendous step towards fueling this recovery.

Mr. JINDAL. All right. I want to thank the panel.

Madam Chairman, I yield back the balance of my time.

Mrs. CHRISTENSEN. Thank you. Did you complete your questions? OK. We are about to close the hearing, and I thank the witnesses for their valuable testimony and the members for their questions.

Before I close, I would like to say that the CCC was critical to building our Nation during the New Deal, and I think we need something similar for the gulf coast region. I am confident that the Department, through the Office of the Federal Coordinator for Gulf Coast Rebuilding, could serve as a lead facilitator for a civilian disaster recovery corps, and if we continue to develop public-private partnerships and recognize the critical role played by states and local governments, the gulf coast will recover. The gulf coast will be rebuilt. The gulf coast will be revitalized, and the gulf coast residents will be able to return.

Again, I would like to thank the witnesses for their valuable testimony. The members of the committee may have additional questions for the witnesses, and we would ask you to respond expeditiously in writing to those questions.

Hearing no further business, the committee stands adjourned.

[Whereupon, at 11:55 a.m., the committee was adjourned.]

Appendix: Additional Questions and Responses

QUESTIONS FROM THE U.S. OF HOUSE OF REPRESENTATIVES

RESPONSES FROM JOHN J. CASTELLANI, BUSINESS ROUNDTABLE

Question 1.: What can the Department do to better engage potential collaborative partners?

Response: Through the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Department of Homeland Security is a key partner in the Gulf Coast Workforce Development Initiative (GCWDI). Initiative team members closely coordinate their efforts with the regional representatives of the Office of the Federal Coordinator. To engage additional collaborative partners in the Initiative, it would be extremely beneficial for elected officials and federal agency personnel to reference the Initiative in meetings they attend regarding Gulf Coast reconstruction. The active support of the Department would further validate the Initiative in the eyes of potential partner organizations, which would, in turn, broaden our partner team and further the Initiative's reach.

Question 2.: What is the role of the Office of the Federal Coordinator to the Gulf Coast Workforce Development Initiative?

The Office of the Federal Coordinator provides the Initiative with key insights into government operations and contacts in government offices, which would otherwise be more complex. The office in New Orleans has been particularly helpful in connecting people, as well as addressing and working through many challenges the Initiative has encountered on the ground.

Question 3.: The Roundtable's members contributed \$5 million to the Initiative, but your member companies give more than \$7 billion in total charity contributions. Have you all discussed increasing the amount of funding that your member companies contribute to the effort?

Response: Business Roundtable prepared an extensive implementation plan prior to undertaking the GCWDI and believes that the current \$5 million contribution will be adequate to meet the Initiative's stated goal. While funding is important, the joining of federal, state, local and private sector efforts have delivered training to over 8,000 new trainees.

Question 4.: Through the Initiative, workers receive training to prepare them to assist in rebuilding efforts. Do you think the training workers receive would provide a good basis for integrating them into a more permanent Civilian Disaster Recovery Corps through the Department?

Response: It is not clear to Business Roundtable what the job duties would be for those individuals recruited to serve in the Civilian Disaster Recovery Corps. However, it is our expectation that the graduates of the GCWDI training program would not be prepared for these assignments. With additional, specialized training, Initiative graduates should be able to work in the Recovery Corps.

Question 5.: Mr. Castellani, you also state in your testimony that through Business Roundtable's Partnership for Disaster Response Task Force you ensure that the private sector is fully integrated into the nation's disaster response planning. What steps have you taken to ensure the private sector's integration?

a. In your opinion, what can the Department do to make these efforts easier?

Response: As part of our ongoing efforts to work more closely with the federal government, we have met over the past year with several representatives from DHS, FEMA and White House staff and co-hosted a meeting with Fran Townsend, the President's homeland security advisor, at the White House in December 2006 with more than a dozen CEOs.

We would like to work more collaboratively with the Department on several issues moving forward, especially around improved communications both in advance and at the time of a disaster:

- (1) in advance of a disaster to better clarify what the government needs so the business community can plan for how to best contribute its resources and expertise; and
- (2) at the time of a disaster to understand how companies can immediately aid in the relief effort (donations of products and services) as well as overcome obstacles, such as credentialing and clearances, to gain access to disaster sites.

Question 6.: Mr. Castellani, the I'm GREAT program proposes to train 20,000 workers for the Gulf Coast rebuilding efforts. **Is this a temporary program? Or do you plan on sustaining the program to address ongoing natural and man-made disasters?**

Response: Business Roundtable does not plan on playing an active role in sustaining the program after 2009, when the Initiative's original goals are met. However, the Roundtable has taken steps to ensure that the recruitment techniques, training work processes and job placement methods are freely available to both government and private industry for future use. It is our hope that the on-the-ground relationships and processes will remain intact and continue to expand in order to continue the development of the workforce in the Gulf Coast well in to the future.

Question 7.: **Will these newly trained workers be integrated into your member companies? If not, what is the plan for the workers after the rebuilding efforts are complete in the Gulf Coast region?**

Response: The GCWDI assists training graduates with their employment search. The GCWDI actively works to engage local contractors with the program and trainees are predominantly employed by these contractors. Business Roundtable does not specifically recruit for its individual member companies.

Both rebuilding efforts and new development are anticipated to continue in the region. Demand for construction professionals in the region is expected to continue to rise for the foreseeable future. The Initiative is providing trainees with the opportunity to take the first steps towards healthy, long-lasting careers in construction fields.

Question 8.: You discussed the importance of broad support in recovery and rebuilding efforts. **How closely are you working with labor organizations?**

a. How about institutions of higher education?

b. How do you recruit individuals to participate in the program?

The GCWDI actively works with labor unions. Labor union representatives are invited to participate in Initiative meetings and activities. Additionally, a number of unions recruit training graduates for entry into their registered apprenticeship programs.

Institutions of higher education in the Gulf Coast region are key partners in the Initiative. The majority of training is performed at local community and technical colleges.

The Initiative has several means of recruitment through the "I'm GREAT" campaign. This campaign maintains a website (www.imgreat.org) and a 24/7 call center (888-52-GREAT) and uses a range of marketing methods including print media and radio advertising. Individuals who are interested in joining the construction industry and participating in the rebuilding of the Gulf Coast are directed to either the website or call center to get more information about training opportunities. They are then referred to a local community college or one-stop to enroll. We have also found that word of mouth and family/friend referrals are an effective method of recruitment.

Question 9.: In your testimony, you stated that Business Roundtable works closely with the Department's Office of the Federal Coordinator. **What should the Department do to ensure the ongoing success of programs like this Initiative?**

Response: The Department has done a good job of helping the Initiative make progress, particularly on the ground. They provided early guidance on the development of the Initiative's implementation plan, assisted the Initiative in establishing relationships with key government officials, and actively mentioned the Initiative in meetings dealing with Gulf rebuilding. This same level of engagement would be beneficial to similar public-private partnerships in the future.

Question 10.: You stated in your testimony that the Initiative has benefited from Pathways to Construction and National Emergency grants. Have you also received funding from state and local governments?

Response: The state of Louisiana has appropriated \$15 million for workforce development, which has been instrumental in training successes to date.

Question 11.: Please provide the Committee with the percentage of businesses you have been able to help. And the breakdown of small, minority and disadvantaged businesses assisted by your Initiative.

Response: The focus of the Initiative is to recruit individuals for training who are in need of a steady career. Detailed demographics of the individuals trained under the U.S. Department of Labor's Pathways to Construction grants are reported by the U.S. D.O.L. Employment and Training Administration. However, the Initiative does not document this type of specific information on the employers who hire trainees.

QUESTIONS FROM THE HONORABLE BENNIE G. THOMPSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSISSIPPI

RESPONSES FROM BRYAN McDONALD

Question 1.: What can the Department do to better engage potential collaborative partners?

Response: The Department of Homeland Security has taken steps, such as the Homeland Security Information Network, to better engage collaborative partners at the state and local level during times of normal readiness. Pre-disaster and during the response phase, we believe that it is important for the Department of Homeland Security to embed key personnel within state and local decision makers' operations centers to ensure real-time communications and collaborative interaction. During the post-disaster recovery phase, it remains important for the Department of Homeland Security to take proactive steps to ensure that staffing and resources are in place to quickly and efficiently perform all post-disaster functions, including Public Assistance closeout.

Question 2.: In your testimony, you said that the state of Mississippi is requesting that FEMA meet a deadline for a staffing plan. Is your experience that state and local governments can provide critical support to Federal Government by being consistent eyes and ears to local issues?

Response: During and after a disaster, State and local governments are on the lines and thus are able to provide valuable information and guidance to the Federal Government. The Federal Government, in all cases, should seek counsel and guidance the state when decisions are made that significantly affect state and local governments.

Question 3.: You raise concerns that the local decisions made by FEMA may not carry weight throughout the agency. Will a stronger partnership between federal and state government address this issue?

Response: Mississippi has maintained a strong partnership with the Federal Government throughout this disaster. In recognition of the strength of that partnership, we ask that FEMA Headquarters give deference to critical decisions made by local FEMA leadership and field personnel who worked closely with state and local officials while making those decisions. We believe it is important for decisions made by local FEMA leaders during the immediate post-disaster environment to be affirmed and upheld throughout the disaster recovery process. Such action on behalf serves to strengthen the partnership that already exists.

Question 4.: You talked about the destruction of small business in Mississippi. How many of these businesses have been restored?

Response: Due to the nature of the post-disaster environment in Mississippi, it is difficult to provide a precise number of the small businesses that have been restored. Many small businesses that received flood damage have relocated away from the waterfront, in some cases reopening in nearby cities and counties. Others small business owners have opened new businesses under different operating names. Additionally, a significant number of small businesses that did not exist before Hurricane Katrina have opened in the time since the disaster. The U.S. Small Business Administration reports in its 2006 Small Business Profile for Mississippi that the state has an estimated total of 209,100 small businesses, up from 197,586 and 190,900 respectively during the the previous two years. The SBA also reports net increases in the number of jobs associated with Mississippi firms with fewer than 500 employees.

Question 5.: Are you actively engaged in the Initiative with Business Roundtable?

Response: Yes, the State of Mississippi is actively engaged in the Business Roundtable's Gulf Coast Workforce Development Initiative. The Initiative has already launched training classes at several campuses in Mississippi and they are reporting high rates of job placement among their participants.

Question 6.: You stated that several barriers to recovery still exist. What can the Department do to assist you in addressing these barriers?

Response:The most important step the Department of Homeland Security can take to help remove the barriers to recovery that still exist is to assist the state with the issues outlined in my testimony, such as completion of the Public Assistance closeout process, completion of all outstanding project worksheets, FEMA headquarters' acceptance of critical decisions made by local FEMA leadership and field personnel in the weeks and months immediately following the disaster, and acceptance of the state's Global Match proposal. Additionally, the Department can assist in removing recovery barriers by committing to our proposed FEMA staffing plans, and helping to solve the issues surrounding reasonable cost standards.

Question 7.: In your testimony, you raise a valid concern about whether FEMA staff will be prematurely removed from the Gulf Coast to meet the needs caused by another disaster. Do you think a civilian disaster corps within the Department may help address some of your concerns as they would not be regular employees of the Department?

Response: The State of Mississippi hasn't had an opportunity to study any proposals associated with a Civilian Disaster Corps. However, we would certainly be open to learning more about any initiative that would provide for a sufficient level and quality of federal personnel to remain in place to satisfactorily close out this disaster.

Question 8.: Mr. McDonald, as you know, there are some parts of Mississippi that have much farther to go in recovery efforts. What else can the Department do to assist in the rebuilding and recovery process, especially for those citizens who have been left behind?

Response:The State of Mississippi is working tirelessly to ensure that sustainable recovery occurs throughout the state, and particularly in the parts of Mississippi that bore the brunt of the storm. Likewise, we are working collaboratively with our federal, private sector, foundation, non-profit and faith-based partners to ensure that no citizens are left behind. The Department of Homeland Security can assist us in this effort by maintaining and strengthening the spirit of cooperation that exists among us. As the Department of Homeland Security continues to help us remove the barriers to recovery that still exist, Mississippi will have the tools it needs to continue to be a model for post-disaster recovery. We understand that our work to recover, rebuild, and renew will take years. We ask for the Department of Homeland Security's continued assistance in helping us move forward.

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