

**LESSONS LEARNED: ENSURING THE DELIVERY
OF DONATED GOODS TO SURVIVORS OF
CATASTROPHES**

JOINT HEARING

BEFORE THE

SUBCOMMITTEE ON EMERGENCY COMMUNICATIONS,
PREPAREDNESS, AND RESPONSE

OF THE

COMMITTEE ON HOMELAND SECURITY
HOUSE OF REPRESENTATIVES

AND THE

AD HOC SUBCOMMITTEE ON DISASTER RECOVERY

OF THE

COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS

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LESSONS LEARNED: ENSURING THE DELIVERY OF DONATED GOODS TO SURVIVORS OF CATASTROPHES

Thursday, July 31, 2008

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
SUBCOMMITTEE ON EMERGENCY COMMUNICATIONS,
PREPAREDNESS, AND RESPONSE, AND
U.S. SENATE,
COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS,
AD HOC SUBCOMMITTEE ON DISASTER RECOVERY,
Washington, DC.

The subcommittee met, pursuant to call, at 1:05 p.m., in Room 311, Cannon House Office Building, Hon. Henry Cuellar [Chairman of the subcommittee] presiding.

Present: Representatives Cuellar, Etheridge, Thompson (ex officio), Dent, and Senator Landrieu.

Also present: Representative Jackson Lee.

Mr. CUELLAR. The House Committee on Homeland Security and Emergency Communications, Preparedness, and Response, and the Senate Committee on Homeland Security and Governmental Affairs Ad Hoc Subcommittee on Disaster Recovery will come to order.

The subcommittee is meeting today to receive testimony regarding "Lessons Learned: Ensuring the Delivery of Donated Goods to the Survivors of Catastrophes." Again, good afternoon to all. On behalf of the Members of the Subcommittee on Emergency Communications, let me first of all welcome my colleagues from the Senate, the Ad Hoc Subcommittee on Disaster Recovery.

I would like to, of course, single out Senator Landrieu for her tireless efforts to expedite the recovery process on behalf of her constituents, who felt the full brunt of Hurricane Katrina. Senator, again, welcome.

Today is a rare bicameral joint subcommittee hearing, and I want to thank our Chairman for providing this opportunity and taking the lead on this issue because, again, it is an opportunity for Members to receive testimony from key FEMA and General Services Administration, GSA, officials, along with key State officials and nonprofit organizations from Louisiana and Mississippi regarding the management of donated household goods intended for the survivors of Hurricane Katrina.

FEMA's shortcomings, in response to Hurricane Katrina, have been well documented. Today's joint subcommittee hearing will be forward-looking in the sense that we want to examine the lessons learned to ensure that the intended survivors of this catastrophe do, in fact, receive the goods that have been donated for such purposes.

Specifically, I am looking forward to our witnesses' discussion. You have, No. 1, FEMA's handling and distribution of unsolicited donated goods in response to Hurricane Katrina; and, No. 2, the current system FEMA had implemented to receive and distribute donated goods.

This hearing will also be an occasion for the Members to examine the steps that FEMA has taken to improve its logistics operations, especially since the enactment of the Post-Katrina Emergency Management Reform Act that got passed by Congress.

Many of us were disturbed to see the CNN investigation on June 11 entitled "FEMA Gives Away \$85 Million of Supplies for Katrina Victims," which outlined that the agency was spending more than \$1 million per year to store donated goods that were intended for Hurricane Katrina survivors. Surely, the 16,596 households that still reside in FEMA temporary housing units could have maybe used the pallets of cots, cleansers, first-aid kits, coffee makers, camp stoves that were stacked to the ceilings in two GSA warehouse facilities in Fort Worth, Texas.

I would like to note upon learning that the surplus goods were intended for Hurricane Katrina survivors, my home State of Texas returned the supplies and delivered them to the New Orleans nonprofit organization on June 20, 2008.

So to move on with this hearing, I look forward to hearing from Mr. Smith, Mr. Castillo, about the concrete steps that FEMA has taken to improve its logistics management when receiving and distributing unsolicited donated goods.

Mr. Brasseux, this joint subcommittee wants assurances that the proper procedures regarding the distribution of surplus goods were followed even though GSA maintains that FEMA did not inform it that the materials in the warehouses were from Hurricane Katrina.

Mr. Rainwater, Mr. Davidson, Mr. Stallworth, Ms. Keller, we want to hear about the level of outreach that FEMA did regarding the handling and distribution of donated goods.

Also, we want to better understand your coordination and your cooperation efforts with other States and nonprofit organizations that have prioritized service to the survivors of Hurricane Katrina.

In addition, this joint subcommittee wants to know if your State or nonprofit organization has used the Aidmatrix Foundation software to assist you in the availability of donated foods.

Also, we want to understand if FEMA informed your State or your nonprofit organization about the Aidmatrix software to which FEMA awarded a \$3.5 million grant for the development of a software program to better streamline donated goods.

I would note for the record that Aidmatrix chose not to testify today, although they did submit a written testimony for the record. With that, I want to thank the witnesses for coming, and I look forward to a robust discussion about improving logistic procedures and processes and capacities.

I want to thank the witnesses, again, for their testimony.

The Chair now recognizes the Ranking Member of the Subcommittee on Emergency Communications, Preparedness, and Response, the gentleman from Pennsylvania, Mr. Dent, for an opening statement.

Mr. DENT. Thank you, Mr. Chairman, I would like to welcome our Senate colleagues here today.

Today's hearing continues the Emergency Communications Preparedness and Response Subcommittee's review of the Department of Homeland Security implementation of the Post-Katrina Emergency Management Reform Act of 2006.

The Committee on Homeland Security was instrumental in the enactment of this important legislation, which has helped strengthen FEMA and its ability to lead Federal efforts to prepare for and respond to recover from a terrorist attack and natural disaster.

As a result of that legislation and the lessons learned from Hurricane Katrina, FEMA has greatly improved logistics management.

For instance, prior to Katrina, FEMA did not have sufficient asset management and distribution capability. Through initiatives such as the total asset visibility program, FEMA is applying best practices in the private sector and can now track more than 200 commodities crucial to disaster response, including meals, water and emergency generators.

In addition to reforming its logistics management practices, FEMA is proactively offering donations management assistance to States through a partnership with the Aidmatrix Foundation. While States have a primary responsibility to manage donations and offers of assistance, Hurricane Katrina made clear that States can quickly become overwhelmed with this task and may require Federal assistance.

Therefore, to help States better manage this task, FEMA set up a national agreement with the Aidmatrix Foundation, based in Texas, that provides States a web-based donations management system free of charge.

By utilizing supply-chain technology, Aidmatrix leverages public and private sector resources to match the needs of disaster areas to offers of assistance. This system eliminates the need for States to use complicated spreadsheets to track donations, helps inform donors of the kinds of assistance needed, and eliminates the need to establish and maintain warehouse operations. The Aidmatrix network has been used successfully in California in response to the wildfires and by midwestern States like Iowa that received severe flooding this summer.

While the President and CEO of Aidmatrix Foundation could not be here today to testify, he has submitted written testimony.

At this point, I would like to ask unanimous consent that Governor McCallum's testimony be included in the record.

Mr. CUELLAR. Without objection.

[The statement of Mr. McCallum follows:]

STATEMENT OF GOVERNOR SCOTT MCCALLUM, PRESIDENT AND CHIEF EXECUTIVE
OFFICER, AIDMATRIX FOUNDATION

JULY 27, 2008

To The House Committee on Homeland Security: The Aidmatrix Network® is a national disaster relief coordination system funded by FEMA, The UPS Foundation, Accenture, and the Aidmatrix Foundation, Inc. to better manage unsolicited donations and volunteers. It connects State and local governments with donors, State Voluntary Organizations Active in Disaster (VOAD), National VOAD, and FEMA.

Aidmatrix is a nonprofit organization that leverages technology and partnerships. We believe that by working together we can make a bigger impact than anyone of us working alone. Our powerful technology serves as a hub that supports donors, nonprofits, and governments working together to get the right aid to people when and where they need it most. The Aidmatrix Network provides transparency and accountability to all constituents in the supply chain of giving.

Aidmatrix focuses in the areas of hunger, medical, and disaster. We partner with over 35,000 nonprofits and world class for-profit organizations worldwide to help move over \$1.5 billion of aid annually. In the United States specifically, our solutions are used to deliver aid to every State in the Nation. Those most in need in each of your districts are helped each day by food and medical products connected more efficiently through Aidmatrix technology.

Aidmatrix focuses on applying the same principles of efficiency and accountability to all aspects of work. For example, we are accredited by the Better Business Bureau for meeting the Wise Giving Alliance's Standards for Charity Accountability. In addition, every dollar into Aidmatrix mobilizes over \$1,000 in aid, perhaps one of the best returns on investment made by Congress and the Federal Government.

The initial award (Cooperative Agreement) was given from FEMA to Aidmatrix in October 2006, initiating the Public-Private Partnership. Leaders from both sides of the aisle, notably Congressman Silvestre Reyes, were critical supporters in helping the Agency determine the best path to actually embark on a true public-private partnership program. Though the Cooperative Agreement part of the partnership, the costs of the program that are not donated by other entities are reimbursed by FEMA on an actual cost basis only, after those costs are incurred. For the year 2006, Aidmatrix received \$72,557.28 in reimbursement from FEMA for our participation in the program. The Cooperative Agreement continues to represent a less than 10 percent of the social investment made in Aidmatrix by all of our supporters each year. Additional private sector investments continue to fuel the program's expansion and bring positive exposure to the Government, nonprofit, and private sector entities involved.

The system was deployed ahead of the initial planned release to support disaster response in Alabama—for which the Governor's Office commended FEMA and Aidmatrix's efforts. See attached. Other State deployments have included emergency activations to support wildfire-related donations activity in California, and flood recovery efforts in the Midwest. In these cases, Aidmatrix Foundation and our volunteers and sponsors provided significant support beyond the Cooperative Agreement and did so on a donated basis.

The initial release was in June 2007 and subsequent releases have happened and will continue between now and 2010. As of June 1 of this year, the full breadth of system functionality was released. Additional annual funding is required to maintain and operate the system, as well as perform ongoing training, readiness, and State/territory recruitment.

The Aidmatrix Network is designed to facilitate efficient movement of donated offers, honoring established best practices in donations management. States in turn share the offers with their State VOAD membership. The system tracks offers and provides visibility to FEMA and State Emergency Management leadership.

The program's warehouse management components have provided Government and voluntary agency professionals oversight capability and real-time visibility and tracking of donated materials in relief warehouses in responses to disasters including California, Iowa, and Indiana.

Aidmatrix solutions are web-based tools designed to reduce paperwork and allow for easy information sharing. No software, hardware or additional IT staff is required with this hosted solution, and training is minimal.

As of July 2008, 22 States and one territory have signed onto the Aidmatrix Network. The Aidmatrix Network has received positive feedback from States, private sector and the media including:

- Business Week featured a story, *Public-Private Alliances to the Rescue*, http://www.businessweek.com/technology/content/jul2008/tc2008072_734064.htm;

- *Indiana flood relief*.—WISH TV 8 CBS Indianapolis Features Aidmatrix Network for Flood Disaster Relief;
- The U.S. Chamber featured the Aidmatrix Network's in response to the California wild fires, http://www.uschamber.com/bclc/resources/newsletter/2007/0712_aidmatrixfeature.

It may be fashionable to find fault with FEMA. At the same time, credit should also be given when FEMA adjusts and improves. All of us will continue to work together to create the best possible disaster response system in the United States. The Aidmatrix Disaster Relief Network is one of the positive changes that will address problems we have seen in the past. It is a system now proven through several disasters to provide a huge support net to emergency responders, decisionmakers, and to providing the right relief to those victims in need.

Examples of comments from recent disasters include those from last month flooding in the Midwest when [sic]:

- Joyce Flinn, Operations Officer, Public Defense, Iowa Homeland Security and Emergency Management Division, "I think the Aidmatrix is a wonderful resource tool. I am grateful FEMA provided the funding support for making the system available to states."
- Greg Smith, of California's Governor's Office of Emergency Services, is quoted as "These are indeed exciting times in the field of disaster-related donations management, and the Aidmatrix solution is the cornerstone of it."
- Joe Watts, NVOAD Donations Management Committee Director and National Disaster Director, Adventist Community Services, "This (warehouse) application makes it possible to control the inventory as it comes into the warehouse and then track it as items are taken to the distribution areas. With pass codes, appropriate persons at the state and FEMA are able to look at the warehouse inventory in real time. This application has tremendous potential [to] . . . be better able to place vital supplies where they are needed and where they are in short supply."

Many in Congress are to be commended for pushing for this type of solution to logistics issues in a disaster. It is especially noted that the vast majority of total costs are born by sources outside of Government. Furthermore, Aidmatrix staff have gone beyond the commitment of the FEMA grant and have donated many hours toward the success of this national program. This makes it not only a truly bipartisan reform, but one which belongs to the public, the private sector, and nonprofit organizations alike. It is a model of being able to help society.

I would like to add as well, that beyond the scope of this specific hearing, Aidmatrix disaster relief systems are becoming a global data standard. Due to the overwhelming success proven in U.S. disasters, other countries are now building Aidmatrix Networks to connect the private sector with those most seriously in need.

ATTACHMENTS

JUL-20-2007 FRI 08:52 AM i2 TECHNOLOGIES

FAX NO. 8735154884

P. 01



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BRUCE P. BAUGHMAN
DIRECTOR

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Print

*Submitted for the
Record by Mr. Dent*

April 30, 2007

Vice Admiral Harvey Johnson,
Deputy Administrator and Chief Operating Officer
FEMA
500 C Street S.W.
Office of the Director
Washington, D.C. 20472

Dear Admiral Johnson:

The Governor's Office of Faith-Based and Community Initiatives (GFBCI) partners with the Alabama Department of Emergency Management (AEMA) by managing Support Annex G, "Volunteer and Donation Management," for Alabama's emergency response plan. Within days of assuming this role in the summer of 2005, Hurricane Dennis hit the State of Alabama. Since there was no software solution available, the GFBCI conducted the entire volunteer and donation matching process manually. This method was grossly inadequate for distributing donations to the Volunteer Organizations Active in Disaster (VOAD) as well as deploying volunteers to the affected areas.

Later that summer, Hurricane Katrina slammed into the Gulf Coast. The GFBCI and Auburn University formed a working partnership to create an online software system for volunteer and donation matching. Although this system relieved the GFBCI of the major task of manually matching offers, it still lacked numerous required features necessary to maximize this capability. In the aftermath of Hurricane Katrina, the GFBCI documented lessons learned from the response. These lessons identified critical elements necessary for an effective software solution for managing volunteers and donations in disasters.

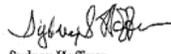
In 2007, Alabama participated in the Requirements Summit for the Federal Emergency Management Agency (FEMA) Aidmatrix solution for In-Kind Donations Management for unsolicited donations. The Aidmatrix solution met and exceeded every needed component identified by the state. The GFBCI and Aidmatrix are working to ensure that this software is in place and operational in Alabama prior to the 2007 hurricane season. Additionally, the GFBCI and Aidmatrix are collaborating to create a solution for tracking and managing spontaneous volunteers and to develop a pre-certified database of volunteers and their skills.

During this time of planning, Alabama was struck by a deadly set of tornadoes on March 1, 2007. Within hours of the event, Aidmatrix stood up a scaled-down version of the software for response to the disaster. The Aidmatrix system was invaluable in connecting volunteers and donations in a timely manner to the affected area.

The AEMA and the GFBCI would like to express their support and gratitude to FEMA for providing the grant for the Aidmatrix solution for unsolicited in-kind donations management. Furthermore, the AEMA and the GFBCI would like to convey their support for continued FEMA funding to further develop the Aidmatrix solution to include volunteer management and needs posting abilities. This will allow states to effectively capture and utilize millions of dollars in donated goods and services offered in times of disaster by non-governmental organizations and individuals.



Bruce Baughman
Director, Alabama Emergency
Management Agency



Sydney Hoffman
Executive Director, Governor's Office
of Faith-Based & Community Initiatives

cc: Ben Curran

Mr. DENT. Thank you, Mr. Chairman. I look forward to hearing from several of our witnesses about how this system is continuing to develop and how it will help ensure that these donations are utilized for their intended purpose.

Again I would like to thank all our witnesses for joining us today. I look forward to receiving your testimony.

At this time I yield back my time, Mr. Chairman.

Mr. CUELLAR. Thank you, Mr. Dent, for your statements. Before I recognize the Senator, I would like to first recognize a Member of our full committee, Congresswoman Sheila Jackson Lee, who is in attendance with us.

Without objection, we would like to recognize her and have her join us here today. Welcome.

The Chair now recognizes the Chairwoman of the Senate Ad hoc Subcommittee on Disaster Recovery, the gentlelady from the State of Louisiana, for an opening statement.

Senator LANDRIEU. Thank you, Mr. Chairman. I really am pleased to join my colleagues here on the House side, Chairman Thompson, particularly from the full committee, Ranking Member King, who is not here, but I want to recognize his efforts. You, Mr. Chairman, have done an outstanding job, and your Ranking Member. Thank you for keeping the focus on this recovery.

To my neighbor and wonderful colleague, the Congresswoman from Houston, Texas, she has continued to be just a completely wonderful ally in this effort. Thank you very much.

This is a very important hearing because it is important for us to examine the delivery of goods that were donated and purchased for survivors of Hurricanes Katrina and Rita. Unfortunately, Mr. Chairman, many of those goods that were donated and purchased on their behalf never arrived. FEMA has received a black eye in the press, to say the least, over these recent reports of these returned surplus Katrina supplies to Federal and State agencies.

This, however, though, is not the first time that Congress has investigated the administration's handling of hurricane supplies and donated goods that failed to reach their intended purpose.

Last April, the Washington Post reported that almost \$1 billion in foreign assistance that was offered in the wake of Katrina and Rita, out of \$1 billion, only \$126 million was accepted by our Government at FEMA's request. We will remember that more than 150 nations offered nearly \$1 billion in cash and supplies and, of course, you know the number was \$126 million that was accepted.

The State Department and FEMA were ill-equipped to coordinate these donations and distributions. Some were accepted, but many of them, including telecommunications equipment, medical supplies and blankets were declined.

As a member of the State Foreign Ops Appropriations Committee, I questioned Secretary Rice exactly on this issue a little over a year ago, and here we find ourselves over a year later again in a committee looking into how offers of assistance or items purchased failed to get to the intended purpose.

I do acknowledge that FEMA has made, as the Ranking Member pointed out, some notable progress improving its logistical capabilities. I will not deny that some progress has been made. The agency has established new professionalized logistics in management, a directorate that reached out to the private sector to incorporate more advanced systems of the supply chain.

It has also shifted its focus from maintaining large inventories that are expensive to drafting contingency contracts which reduce waste to save taxpayer money. This is good, and new Aidmatrix systems allow States to view donated goods and volunteer services in real time in a process we hope will give them more choices in the way they would like to coordinate their assistance.

But, Mr. Chairman, this agency's mindset has proven tougher to change. FEMA needs to move away from its stubborn assistance on detailed requests for specific forms of assistance and must lean for-

ward to proactively identify problems on the ground and jump in and tackle those problems in a much more collaborative manner, in my view.

I understand that FEMA today will try to blame the State of Louisiana for not requesting supplies that the State did not even know existed. It is like if a house was on fire and the fire department operated the same way FEMA does, we would have to call the fire department and specifically request the hose, the pressurized water, the truck, the firefighters and the ladder all before FEMA would acknowledge that they should send this equipment to help.

This is the wrong approach. I have said we deserve a better FEMA, and if I have anything to do with it, with your help, we will one day have one. We need a FEMA that functions like a work horse not a show horse. FEMA's region 6 office did not contact Louisiana recovery authority about the supplies that were missing. We understand now it was over \$18 million.

In fact, FEMA didn't contact anyone at the State at all. The only communication that occurred with our State happened after the supplies were designated to surplus and turned over to GSA, and then it was GSA and not FEMA that initiated the contact.

I can't understand how FEMA thought it could determine if the emergency supplies were needed without even contacting anyone, before they even declared them as surplus, but that is what happened in Louisiana. I am not sure, exactly, of the details in Mississippi.

The first CNN report aired on June 11. On June 12, the LRA adopted oversight of FEMA supply chain, which is Louisiana Recovery Authority. On June 20, the State of Texas delivered supplies that it had received to an organization in New Orleans called Unity. I thank the State of Texas for acting so quickly. On July 1, the Postal Service agreed to return all the supplies they had gotten as surplus, and they returned it as well to us.

On July 14, the State of Arkansas delivered its supplies to a city in southwest Louisiana, the city of Lafayette, Acadian Outreach Center, which outreaches to low-income families in that area, and the postal supplies arrived in Baton Rouge last week.

So this is what happened. I am interested to hear more detail about it, but looking ahead, in conclusion, while we have been successful in redirecting some of these returned supplies back to Louisiana and Mississippi, where they are needed. It is important to identify where the breakdown in communication occurred so they don't happen again.

I would also like to know if there are other supplies that can be returned, and if there are others that were identified for victims in the 2005 hurricanes that never got distributed, and which supplies are in FEMA's regional warehouse in Ft. Worth and Atlanta could still be sent.

I was able, and finally, to secure \$73 million in recently enacted supplemental appropriations to help 3,000 families. With Chairman Thompson's help, with the Members on the House side, we were able to get vouchers for 3,000 families that had been without a place to live for 3 years, but these household supplies can help to

equip those new households, whether its blankets or bedding supplies or cooking supplies, with people who have lost everything.

So, in closing, I can only quote something Teddy Roosevelt once said. He said, "I think there is only one quality worse than hardness of heart, and it's softness of head." So if disaster strikes again, we all want FEMA to have the right heart and the right head to get the job done.

We are willing in our States to lean forward and to do our part, but these systems have got to improve, as the recent floods in Iowa, California, tornadoes in Kansas have suggested.

I thank this Chairman for taking the time to look into this issue.

Mr. CUELLAR. Thank you again, Senator Landrieu, for your statement. At this time the Chair now recognizes the Chairman of the House Committee on Homeland Security, the gentleman from Mississippi, Mr. Thompson, for his opening remarks.

Mr. THOMPSON. Thank you very much, Mr. Chairman, Senator Landrieu, I thank both of you for holding this hearing today. As you know, we postponed it because of an earlier emergency, so I think it is really important going forward that we understand how logistics and donated goods will be housed.

However, it was disappointing to me that almost 3 years after Hurricane Katrina we are still discovering critical governmental flaws which must be corrected. Today we examine FEMA's distribution of donated supplies that were originally intended for Katrina survivors. It is almost as if 3 years after that catastrophic hurricane FEMA does not realize that there are still survivors in need of basic necessities.

In the weeks since the news network began airing the story of donated supplies, my office has been contacted by various nonprofit organizations in Mississippi, my home State, telling me that they still need supplies for Hurricane Katrina survivors.

I have learned that my State of Mississippi chose to accept the supplies and has been housing them in a warehouse in Pearl, Mississippi. I have further learned that prisoners at the Mississippi Department of Corrections, employees at the Mississippi Department of Wildlife and Fisheries, none of whom I can verify are Katrina victims, have received these donated supplies.

It is clear to me that FEMA did not properly manage and distribute these donated supplies after Hurricane Katrina. That is why in 2006, Congress passed comprehensive legislation to reform FEMA and give it the tools it needs to respond to disasters both large and small. Since the enactment of that law, we know that FEMA has made an effort to improve the process.

But I find it disturbing that these supplies were warehoused for 2 years, designated as surplus, and given away.

So I want to know from this hearing how FEMA arrived at the conclusion that these donated goods were no longer needed by Katrina survivors. Specifically, what outreach was done to validate the donations? It is this committee's sincere hope that we will hear of the logistical capabilities that have been dramatically revamped and that States and nonprofits are working together to ensure that supplies reach the intended people.

The committee also understands that shortly after Katrina FEMA awarded a \$3 million grant to Aidmatrix Foundation to cre-

ate a software program to better streamline donated goods, and while Aidmatrix chose not to testify here today, I look forward to hearing from our State and nonprofit witnesses about the effectiveness of this software. Specifically, I want to know how FEMA is alerting States and nonprofits about this software program so that it can receive donated goods should a catastrophe occur again.

Again, I would like to thank Chairman Cuellar and Chair Senator Landrieu for holding this hearing. I look forward to learning from our witnesses the status of the logistics process and what is being done to ensure that Hurricane Katrina survivors received the donated goods promptly.

Mr. CUELLAR. Thank you, Mr. Chairman.

At this time I would like to remind other Members of the subcommittee, I am reminded that under the committee rules opening statements may be submitted for the record.

At this time we will move forward and welcome our panel of witnesses that we have here today.

Our first witness today, Mr. Eric Smith, is the Assistant Administrator for the new Logistics Management Directorate of FEMA. Mr. Smith orchestrates the multi-functional logistics, planning and operation for the directorate. Prior to the position at FEMA, Mr. Smith served as the Senior Executive Assistant at the Defense Logistics Agency, where he was responsible for all facets of executive level support and tasked for a \$34 billion joint service activity, with a worldwide work force of more than 21,000 civilians, active duty and reserve joint service personnel.

Our second witness is Mr. Carlos Castillo. Mr. Castillo is the Assistant Administrator for Disaster Assistance Directorate at FEMA. He has dedicated over 25 years of—dedication to local fire fighting and local emergency management. He served as the Assistant Fire Chief for Technical Services and as the Director of the Miami-Dade County Office of Emergency Management. There Mr. Castillo managed the response during seven hurricane activations and oversaw the domestic preparedness and community activity outreach and the county's participation in the urban area security initiatives programs.

Our third witness is Mr. Barney Brasseur, who currently serves as the Acting Deputy Commissioner for the FAS, Federal Acquisition Service. Prior to his appointment, he joined the General Services Administration Federal Supply Service, where he has held many positions, such as Chief of Staff, Chairman of the Management Council and the Assistant Commissioner for Vehicle Acquisitions and Leasing of Services. With the consolidation of the FSS and the Federal Technology Service to create the FAS, Mr. Brasseur served as an Assistant Commissioner for Travel, Motor Vehicles, Car Services, until his appointment to the current position.

Again, welcome.

Our second panel, if you will allow me to go ahead and introduce the second panel, we will hear from the following. Mr. Paul Rainwater, who is currently the Executive Director of the LRA, Louisiana Recovery Authority. At the LRA he serves as the Governor's Chief Hurricane Recovery Adviser, providing daily oversight and direction for the State's recovery initiatives to carry out the mission

of rebuilding a safer, stronger and smarter Louisiana. Prior to his current appointment, Mr. Rainwater was a Legislative Director and Chief of Operations for a U.S. Senator, Mary Landrieu, where he managed the Disaster Recovery Committee of Homeland Security and helped the LRA and Senator Landrieu secure the \$3 billion necessary to provide full funding for the Road Home Program. Mr. Rainwater is also currently serving as a Lieutenant Colonel and Joint Director of the Military Support for the Louisiana National Guard.

Again, welcome.

Our fifth witness is Mr. Ollie Davidson. Mr. Davidson currently serves as a senior adviser for the Emergency Services for the Humane Society and member of the Donations Management Committee of the VOAD, the national Voluntary Organization Active in Disaster. At the VOAD, he coordinates planning efforts by voluntary organizations, responding to disasters. Mr. Davidson has also served 20 years in the Office of the U.S. Foreign Disaster Assistance and a disaster adviser to the Business Civic Leadership Center of the U.S. Chamber of Commerce.

Again, welcome.

Our sixth witness is Mr. Bill Stallworth, the Executive Director of the East of Biloxi Coordination and Relief Center. In addition to serving as Executive Director, Mr. Stallworth has contributed to improving his community through numerous positions, such as community development planner, community development specialist, Vice President for Economic Development for the Biloxi Chamber of Commerce Board of Directors.

Finally, our final witness is Ms. Valerie Keller, who serves as the Chief Executive Officer for the Acadiana Outreach Center in Louisiana, which provides families with necessary services. Ms. Keller currently serves as an advisory council member of the Louisiana Trust Fund and is cochair of the Louisiana Advocacy Coalition for the Homeless.

We are pleased to have all of you here with us, and we certainly appreciate your time, your efforts, your energies, and, of course, your testimony that you are about to provide.

Without objection, the witnesses' full statements will be entered into the record, and I now ask each witness to summarize his or her statement for 5 minutes.

We will begin with Mr. Smith. Again, welcome, Mr. Smith.

STATEMENT OF WILLIAM ERIC SMITH, ASSISTANT ADMINISTRATOR, LOGISTICS MANAGEMENT, FEDERAL EMERGENCY MANAGEMENT AGENCY, DEPARTMENT OF HOMELAND SECURITY

Mr. SMITH. Good afternoon, Chairman Thompson, Chairman Cuellar, Congressman Dent, Chairman Landrieu, and Members of the subcommittee.

I am Eric Smith, FEMA's Assistant Administrator for Logistics Management Directorate. I am a retired Army officer with over 24 years of technical training and experience and as a multi-functional logistician specializing in the areas of logistics management, planning and operations.

I joined FEMA in April 2007, leaving the Defense Logistics Agency, to head FEMA's newly established Logistics Management Directorate, which is responsible for planning, managing, and sustaining the national logistics response and recovery operations in support of disaster operations and special events.

Thank you for the opportunity to address this committee and provide you with a full explanation of FEMA's inventory, its disposition, and opportunity to respond to recent media reports alleging FEMA improperly excessed surplus goods. I would discuss the Logistics Management's role in this process, and my colleague, Carlos Castillo, will discuss donations management and Aidmatrix.

FEMA has and continues to incorporate lessons learned from Hurricane Katrina and other events to establish better business practices and processes that will meet the needs of States in assisting disaster survivors quickly and efficiently. As we identify past processes and procedures that hinder FEMA and provide support to our customers and partners, we correct them.

Recent incomplete, misleading, and inaccurate media reports accuse FEMA of giving away supplies intended for Hurricane Katrina survivors, and these reports often did not adhere to standards of fairness or accuracy. FEMA staff were afforded opportunity to brief your committee staff on July 16 and provided facts in support of FEMA's perspective on what happened.

For instance, FEMA continues to this day to distribute disaster survivor living kits, which includes household items such as kitchen cookware, blankets, towels, mops, brooms and other basics as they transition out of FEMA-provided housing. We have more than an adequate stock of living kits positioned in Louisiana today to address the needs of eligible disaster survivors.

After Hurricane Katrina and Rita, FEMA received certain goods through donations and acquired other items through direct Government purchase to help support affected individuals and families in the Gulf Coast. These goods were stored locally at operational sites across the region and were provided to affected States which, in turn, worked through local volunteer and charitable organizations to quickly and efficiently distribute them to disaster survivors.

As the recovery effort progressed in the Gulf Coast and Gulf support sites were closed, remaining supplies were then shipped to and stored at FEMA's distribution center in Ft. Worth, Texas. In late 2006, the Ft. Worth distribution center continued to receive supplies from the Gulf Coast and other areas and open additional warehouses to store them.

These supplies had accumulated in odd lots and came from several different FEMA field sites. These supplies were actually valued at \$18.5 million, not the \$85 million as CNN reported. The change in value was due to an errant calculation that has since been corrected.

In accordance with the Government-wide Federal management regulation, FEMA is not permitted to give away excess or surplus property.

In view of the unprecedented quantity of goods returned to our distribution center and manner in which the donations were received after Hurricane Katrina and other events, FEMA was unable to clearly distinguish between the donated items from Govern-

ment-purchased items that were returned to our warehouses. Therefore, we complied with otherwise applicable Federal management regulation process and requested GSA services to excess them.

Again, it is important to note that FEMA legally cannot give away Government-purchased items to nondisaster survivors in the recovery phase of a Presidentially declared disaster. Earlier this year all four States were given the opportunity to visit the Ft. Worth distribution center and examine these supplies. State agencies assisting Hurricane Katrina and other disaster survivors, including Louisiana, Texas, Mississippi and Alabama, were all notified by GSA to participate in obtaining surplus property through the State representatives. There were 16 States that took advantage of the notification from GSA to obtain excess or surplus property.

Currently, the distributed excess items are beyond the control of either FEMA or any other Federal agency and cannot be reclaimed or redistributed. We understand that Louisiana has taken the opportunity to make the State agency surplus property program more accessible to eligible nonprofits, and has identified a lead agency and efforts to better understand the needs of nonprofits as they work to fulfill unmet needs of disaster survivors.

FEMA will support Louisiana and all affected States in meeting the continued needs of disaster survivors within the scope of its regulations. During the field operations, FEMA logistics sites now understand that if donated items are received at logistics staging areas they are to be segregated and kept separate from Government-purchased initial response resources. If donated goods are received, the staging area manager will immediately notify FEMA's designated representative for disposition instructions.

Again, thank you for the opportunity to testify and give FEMA's perspective on the unfavorable media reports. I am at your pleasure to answer any questions you may have.

[The statement of Mr. Smith and Mr. Castillo follows:]

PREPARED STATEMENT OF WILLIAM ERIC SMITH AND CARLOS J. CASTILLO

JULY 31, 2008

Good afternoon Chairman Thompson, Chairman Cuellar, Congressman Dent, Chairwoman Landrieu, Senator Stevens and Members of the subcommittees.

We appreciate the opportunity to represent the Department of Homeland Security's Federal Emergency Management Agency (FEMA) to respond to recent media reports alleging that FEMA improperly disposed of surplus goods, provide you with a full explanation of FEMA's inventory, its disposition, and discuss improvements that FEMA has made to its donations and volunteer management efforts post-Katrina.

FEMA has and continues to incorporate lessons learned from Hurricane Katrina and other disasters to establish better, stronger business practices that will best meet the needs of States in assisting disaster victims quickly and efficiently. As we identify past systems and procedures that plagued FEMA and our partners, we correct them.

Recent media reports accuse FEMA of "giving away" supplies intended for Hurricane Katrina victims. These reports often did not adhere to a standard of fairness or accuracy. We appreciate the opportunity to discuss this issue with you today and report FEMA's side of the story.

Eric Smith, Assistant Administrator for the Logistics Management Directorate will discuss the logistic aspects and Carlos Castillo will discuss ESF No. 6 efforts to improve our assistance to States in managing donations of goods and supplies.

HISTORICAL PERSPECTIVE

Traditionally, after a disaster, financial donations and donations of goods and services are coordinated at the State and local levels through voluntary and non-profit organizations that work together with FEMA to identify and address survivors' unmet needs.

Prior to the 2005 Hurricane Season, and as part of FEMA's standard operating procedures for donations and volunteer management, FEMA, through our Voluntary Agency Liaisons, worked closely with Federal, State and local entities to provide addresses of centers receiving donations. As soon as a State's communications were restored, hotline numbers were provided to assist volunteers in assessing where their services and donations were most critically needed. These phone banks were staffed by voluntary agencies, as well as by State and local personnel.

Following Hurricanes Katrina and Rita, the States of Mississippi, Alabama and Louisiana established Katrina Hotlines to coordinate public contributions of money, goods and services for the purpose of assisting victims. These hotlines were staffed by State personnel and supported by FEMA-trained State Donations/Volunteer Coordinators and participating voluntary agencies. FEMA also established a toll-free number to supplement the efforts of the States because their resources were severely taxed.

Offers were channeled down to the affected State Donations Coordination Teams for their consideration. FEMA also made use of the National Emergency Resource Registry developed by the DHS Private Sector Office. While this was an immediate solution to cataloguing incoming offers of assistance, the system was not constructed to track matches between States and companies offering goods. Its purpose was solely to provide an on-line resource list of available goods and service.

In addition to domestic offers of assistance, Gulf Coast States received offers of financial and material aid from over 150 nations and international organizations. To coordinate and effectively utilize the assistance offered, FEMA turned to the agency that has diplomatic expertise working with the international community in a disaster context, the U.S. Agency for International Development (USAID) and its Office of Foreign Disaster Assistance (OFDA). FEMA formally tasked USAID/OFDA to manage the logistics and operations of incoming international donations. We also quickly developed a system with our Federal partners, including the Department of State (DOS), which acted as the intermediary for offers of international assistance to the United States as was required, at that time, by the National Response Plan (NRP).

FEMA formally tasked USAID/OFDA for multiple reasons. First, as a signatory to the NRP, USAID is committed to the principles underlying the NRP and committed to support DHS/FEMA in responding to incidents of national significance. Second, FEMA has an on-going working relationship with USAID/OFDA and recognizes USAID/OFDA's excellent logistics capability. Third, FEMA tasked USAID/OFDA because that agency knows the international emergency management community. USAID/OFDA has a good understanding of the kinds of emergency supplies that may be offered by our international partners. USAID/OFDA also works closely with major international relief organizations.

To facilitate operations, some USAID/OFDA staff members were physically co-located at FEMA headquarters. FEMA also asked USAID/OFDA to deploy staff members to the Joint Field Office (JFO) in the affected region. This proved to be invaluable support for the logisticians and response providers at headquarters and in the field.

For all international donations that the U.S. Government received, DHS took responsibility to ensure that they could be distributed in the Gulf Coast and would not place extra burdens on response operations. However, despite our best efforts to quickly put together, with DOS and USAID/OFDA, a mechanism to manage material offers, it was difficult to rapidly integrate such a large quantity of foreign assistance into the on-going disaster response. Some of these challenges included incidental goods being shipped along with accepted items; lack of specificity in qualifying U.S. Government acceptance; and a lack of understanding of the specifics of the offers.

Nevertheless, the U.S. Government did successfully accept blankets, cots, tents, generators, school supplies, and other materials. Ultimately, USAID/OFDA distributed 143 truckloads of international donations to distribution centers in Louisiana, Alabama, Mississippi, Texas, and Arkansas.

As part of FEMA's after-action review of its disaster-response efforts, we initiated meetings with those Departments and agencies that had participated in the receipt of international donations following Hurricane Katrina. Our aim was to formalize a system to identify requirements and accept international offers of assistance, so

that valuable time would not be spent developing the system in the midst of future disaster responses.

These meetings led to establishment of an interagency work group of the Departments and agencies that had participated in Hurricane Katrina's international donations effort. This working group has begun formalizing an international coordination system. Participants have included components of DHS such as FEMA, Customs and Border Protection, Immigration and Customs Enforcement (ICE), Citizenship and Immigration Services (CIS) and other Departments and agencies such as USAID, DOS, Defense, Food and Drug Administration, Agriculture, and the U.S. Army Corps of Engineers, as well as the American Red Cross (ARC). Significant progress has been made in the development of standardized procedures to review and accept or decline international offers of assistance and to respond to international inquiries.

CHANGES TO ESF NO. 6 MASS CARE/DONATIONS AND VOLUNTEER MANAGEMENT

As part of the National Response Framework (NRF) review process, in 2007, FEMA and ARC agreed that FEMA would assume Primary Agency responsibilities for the mass care component of Emergency Support Function (ESF) No. 6, including Donations and Volunteer Management.

As part of the efforts, FEMA has established a donations policy for disasters and provides technical assistance to affected State, local, and tribal governments on management of spontaneous volunteers and unsolicited goods. The procedures, processes and activities are defined in the Volunteer and Donations Management Support Annex of the NRF.

FEMA works in concert with State, local and tribal governments, non-governmental organizations, faith-based organizations, and the private sector in the facilitation of an inclusive multi-agency, community-wide, coordinated response and recovery effort that ensures establishment of a long-term recovery strategy to address unmet needs of individuals and families.

To support these efforts, FEMA's Disaster Assistance Directorate developed a Volunteer and Donations Coordination Team at FEMA Headquarters to provide rapid, coordinated response and provide Federal support to State and local governments. These efforts include warehouse support for housing unsolicited donated goods, coordination of unsolicited private and international donations, and use of Aidmatrix, a web-based application that enables us to record offers of donated goods, services and financial resources.

CHALLENGES OF DONATION AND VOLUNTEER MANAGEMENT

Following a disaster event, even those that do not receive a Presidential disaster declaration, the general public makes many offers of in-kind and financial contributions. Until 2007, there was not a coordinated, effective mechanism to capture the offers and bring them to the attention of emergency managers for operational use. The challenge of those in the field is getting the "Right Aid to the Right People at the Right Time."

Uncoordinated shipments of unsolicited donated goods and large numbers of unaffiliated volunteers can cause unnecessary disruption and confusion in the disaster area. This can lead to offers remaining unused or to a waste of valuable resources. State donations management coordinators and others whose job is to manage the public response often are overwhelmed.

FEMA and DHS as a whole saw the need for a secure, user-friendly system to efficiently connect Federal and State/local governments, the private sector, and the voluntary sector to match the volume of donation offers of product and volunteers with appropriate nonprofit agencies.

In February 2006, FEMA posted a "Sources Sought" notice in Federal Business Opportunities (FEDBIZOPPS.GOV) for the development of a much-needed web-based application for donation and volunteer management. The Agency evaluated all eight responses received in response to the "Sources Sought" notice against the published requirements and determined that the Aidmatrix Foundation's technology solution was the only one to meet all the requirements. As mentioned above, FEMA further determined that the expansion of a software package or solution previously developed by the Aidmatrix Foundation with warehouse, call center, and volunteer management capabilities would serve the broad public purpose of helping State and local government and voluntary agencies to ensure that donated goods and services are accepted, acknowledged, and deployed to the areas of greatest need during disaster response and recovery activities.

Moreover, working with the Aidmatrix Foundation enabled the Agency to leverage the good work that had already been taking place in the donation management com-

munity. Several of FEMA's major voluntary agency partners, including the American Red Cross, Adventist Community Service and America's Second Harvest were using the Aidmatrix Foundation's Disaster Relief Matrix to support donation warehouse operations in Katrina-impacted States.

The Agency subsequently decided that a Cooperative Agreement was the best vehicle to secure the donation and volunteer management software. The Cooperative Agreement was awarded to Aidmatrix on November 28, 2006. It was determined that the funding used to support the expansion of a software package or solution previously developed by the Aidmatrix Foundation would not be used to directly acquire donation management services or solutions for the Federal Government. It was also determined that the direct benefit would be to the State, local and tribal governments, voluntary agencies, and disaster victims in need of assistance that may be available through donations. Finally, a Cooperative Agreement would allow the voluntary agency community and private sector to have greater equity in ensuring the success of the donations management process, while providing FEMA the opportunity to leverage a public/private partnership.

SUPPLY DISTRIBUTION TO GULF COAST

As a result of Hurricanes Katrina and Rita, as well as several other disasters, FEMA received certain goods through donations or made direct Government purchases to help support affected individuals and families. These goods were stored locally at sites across the Gulf Coast, and were provided to affected States which, in turn, worked through local volunteer and charitable organizations to quickly and efficiently distribute them to disaster victims.

Throughout the nearly 3 years since Hurricanes Katrina and Rita, FEMA has provided a significant level of assistance to States, communities, and individual disaster victims, and continues to do so. The FEMA Louisiana Transitional Recovery Office (LA TRO), for example, has assisted temporary housing unit residents with various resources as they relocated to rental units. The LA TRO continues to provide basic household items, both those bought by FEMA and those donated by voluntary agencies, to disaster victims.

As an example, FEMA placed a "living kit" in approximately 90,000 temporary housing units before delivery to disaster victims. These kits included needed items such as bed sheets, blankets, dishes, pots and pans, and cleaning supplies. In addition, during the past several months, as families have transitioned from their FEMA-provided temporary housing units to more suitable, safer, and functional housing, FEMA has provided these families with additional living and kitchen kits (which supply basic kitchen utensils). This effort will continue as additional households transition into a permanent housing solution.

Approaching the Third-year Anniversaries of Hurricanes Katrina and Rita, FEMA has distributed more than \$50 billion in the region. This includes \$7.8 billion to individuals and families through Housing and Other Needs Assistance that includes personal property replacement, transportation assistance, health care and other expenses related to moving and storage. Aid continues to flow to residents needing support.

DISPOSITION OF EXCESS SUPPLIES

As the recovery effort progressed in the Gulf Coast and field support sites were closed, remaining supplies were shipped to and stored at FEMA's Distribution Center in Fort Worth, Texas.

These supplies had accumulated in odd lots and came from the FEMA Regions operating in the Gulf Coast area and other FEMA sites. The materials and supplies held in storage and determined to be excess to the agency's needs are valued at \$18.5 million, not \$85 million as reported. This change in value was due to an errant manual calculation that has since been corrected.

Even as recovered supplies were warehoused, the Gulf Coast Recovery Office (GCRO) maintained a supply of kits and other commonly requested materials to distribute as appropriate in support of the temporary housing mission. The GCRO continues to do so today. The household items are distributed to eligible temporary housing residents who transition to long-term housing. FEMA continues to work with the Gulf Coast States in supporting those in need of these items. The residents can request the items through their caseworkers. It is important to note that State and local governments coordinate donations of goods through voluntary and non-profit organizations that work together with FEMA to address disaster victims' needs.

In late 2006, the Fort Worth Distribution Center continued to receive excess supplies from the Gulf Coast, and acquired additional storage space to store the items

being received. The supplies covered a warehouse area of over 873,815 square feet at the Fort Worth Distribution Center, which is approximately the size of fifteen football fields.

In accordance with the Government-wide Federal Management Regulation, FEMA is not permitted to “give away” excess or surplus property. Section 701 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5121–5207) gives FEMA the authority to receive donations and distribute them as necessary. In view of the unprecedented amount and manner in which the donations were received after Hurricane Katrina, FEMA was unable to clearly distinguish between the donated items from Government-purchased items that were returned to our warehouses. Therefore, we utilized the otherwise applicable Federal Management Regulation process, whereby GSA disposes of surplus property. It is important to note that FEMA legally cannot give away Government-purchased items to non-disaster victims in the recovery phase of a Presidentially-declared disaster.

FEMA coordinated disposition of these supplies with GSA, which manages the Surplus Property Disposal process and serves as the disposition agency for Federal civilian agencies. This is the means by which all Federal agencies, including FEMA, screen and transfer excess property from one agency to another to ensure that property or inventory of the Government is not wasted. The GSA process helps ensure that supplies and assets are used or donated to eligible recipients.

Under the GSA process, the supplies in question were made available first to DHS, then to other Federal agencies, and then to State agencies and non-profit organizations. The items were first made available to the components of DHS for 7 days. Next, the items were made available to other Federal agencies through GSA for a period of 21 days. After Federal agencies had the opportunity to screen and request items, GSA followed its prescribed procedures by notifying the established State Agencies for Surplus Property (SASPs) in each State and territory to advise them of the availability of the property.

All States, including Louisiana, were afforded the opportunity to visit the Fort Worth Distribution Center and examine these supplies on February 13–14, 2008. State agencies involved in assisting Hurricane Katrina and other disaster victims, including Louisiana, Texas, Mississippi, and Alabama were all specifically contacted by GSA to participate in the transfer process through the SASP representative. Fourteen States took advantage of the call from GSA to obtain excess or surplus property. Mississippi, in particular, acquired materials valued at several hundred thousand dollars in addition to the materials FEMA was directly managing in the region.

Also, before we started the screening and disposal process through GSA in 2008, FEMA Voluntary Agency Liaisons notified the National Voluntary Organizations Active in Disaster that excess supplies may become available to non-profit organizations through the GSA disposal process and encouraged their assistance in aiding non-profits application efforts. FEMA Voluntary Agency Liaisons also reached out to SASP State representatives in an attempt to encourage them to reach out to the non-profits in their State and make them aware of the surplus goods that might become available to them through the GSA process.

CURRENT STATUS OF EXCESS MATERIALS

Currently, the distributed excess materials are beyond the control of either FEMA or any other Federal agency, and cannot be reclaimed and redistributed. Nevertheless, FEMA will coordinate with State and local officials to ensure visibility into the distributed supplies as well as any supplies remaining in storage. We understand that Louisiana has taken this opportunity to make its State agency surplus property program more accessible to eligible non-profit organizations and has identified a lead agency in an effort to better understand the needs of these organizations as they work to fulfill unmet needs of disaster victims. FEMA will support Louisiana in this effort to help meet the continued needs of disaster victims within the scope of its regulations. We will work with Louisiana and the other Gulf Coast States to ensure they are notified, have a full understanding of the surplus disposal process and are given the opportunity to access the property.

I am also pleased to note the actions taken by the State of Texas to make materials available to residents of Louisiana. I believe that this level of State-to-State coordination, spurred by your interest and energy, is the most appropriate course of action.

LESSONS LEARNED AND IMPROVEMENTS

FEMA has incorporated lessons learned from Hurricane Katrina and other disasters to establish more effective business practices and processes that will best meet

the needs of States in assisting disaster victims quickly and efficiently. The Logistics Management Directorate has strengthened its business practices and processes through enhanced relationships with Federal and State governments, non-governmental organizations and the private sector. These partnerships have allowed FEMA to make considerable progress toward the National Logistics Coordinator Concept. This concept allows FEMA to tap into the resources of its partners, minimizing the need for FEMA to maintain large inventory levels of its own and thus minimizes the need to dispose of excess supplies.

During field operations, FEMA logistics sites will require that all donated items received at logistics staging areas be segregated and kept separate from Government-purchased initial response resources. When donated goods are received, the staging area manager will immediately notify FEMA's designated representative for disposition instructions for the donated items. Additionally FEMA Logistics is working closer with the non-profit organizations through liaisons with FEMA ESF-6 Mass Care, Voluntary Agency Liaisons and Donations Management.

ABOUT THE AIDMATRIX FOUNDATION

Leveraging leading-edge technologies from the corporate world, the Aidmatrix Foundation created a system which provides a simple but effective means of connecting donors with relief organizations. The system communicates offers and needs up and down the humanitarian relief supply chain, helping to get the right aid where it is needed at the appropriate time.

The basic system was provided grant funding by FEMA/DHS and made available to States at no cost. States are encouraged to set up and be trained on the system before the need arises. Additional customizations can be performed at a reduced cost to the State or their designated foundation. Aidmatrix's training and customization services will be provided at discounted rates. To further reduce costs, States may seek private corporate sponsorships.

FEMA also is providing each State with the standard FEMA design. States also have the option of customizing and branding their Web site. Basic program functionality is available at no cost to each State's donations management lead agency and its voluntary networks as outlined above. Each State will have autonomy over its installation. Recognizing that connecting to the nonprofits on the ground is critical, the system includes links to the State Voluntary Organizations Active in Disaster (VOAD) member organizations. Customization options allow States to add additional nonprofit organizations, cities, and governmental agencies. Aidmatrix provides on-site user training, documentation, and demo environments. Aidmatrix Network provides several modules that cover a wide range of humanitarian aid relief donations coordination. These features will be phased in over time, and include:

- *In-Kind Donations Management.*—The System allows States to establish a call center and national in-kind and State portals via the web.
- *Unaffiliated Volunteer Management.*—The tool helps States manage the volunteer response and connects offers to agencies with needs efficiently and effectively. It enables smaller, often overlooked agencies to take advantage of the supply of volunteers and alleviate the pressure on the larger agencies and governments to provide more opportunities to help. (This feature is funded by FEMA in Phase II.)
- *Online Relief Warehouse Management.*—Based on nonprofit warehouse management best practices, the tool leverages leading-edge technology in a simple, user-friendly way to provide real-time visibility into relief warehouse activity and status for all stakeholders involved in a relief effort.
- *Financial Donations Management.*—Allows States to quickly fundraise in response to specific disasters. The tool promotes the offering of financial donations by individuals and educates the general public on the most critical needs. In addition, the tool facilitates workplace and group-based giving campaigns and can easily be customized for rapid response. This component is optional and intended to support a State's disaster cash donations plan.

Each of these aspects of the Aidmatrix system for donations and volunteer management offers specific advantages to consumers and end users.

IN-KIND DONATIONS MANAGEMENT

The system will provide the designated State Donations Management Organization with administrator access and privileges to all information in the State's system. This will allow visibility to all reporting, all in-bound offers, and the ability to offer donations to end relief charities. In times of national disaster, the State will be connected to and receive national offers via the system. In the case of a State-

localized disaster, the State can use the solution to respond to a regional event. The system also includes a Call Center Module. A State can use this module to respond to a local or national disaster. The technology is provided by the Federal Government and the State is responsible for providing the manpower to staff the Call Center and provide up-to-date messaging.

This functionality is important for both donors and donation managers. Aidmatrix provides an on-line portal for the public to donate on-line with messaging on good product donation practices. In addition, corporate donors can be set up in advance with unique log-ins so they have access to their history, status of donations, etc. These features enhance customer service due to decreased wait time, as it allows donors to can pledge meaningful offers as they have visibility into critical needs.

Donations Management Coordinators now have the capability of routing donation offers to one or more agencies in a short time frame, and non-profit organizations have the ability to respond real-time and to changes in offers/acceptance and generate reports. This allows for reduced call volume as more offers are taken on-line instead of via phone, the potential for less waste as offers can be given for specific needs, and enhanced collaboration and communication.

UNAFFILIATED VOLUNTEER MANAGEMENT

This aspect of the Aidmatrix system, which will become available in Phase II of the Federal Program, provides volunteers with the ability to register their profile for the selection of volunteer opportunities by local charities, as well as the ability to view charities needs by ZIP code, skill set, etc.

This is effective for States because it gives volunteers the ability to receive e-mail notifications of status, allows voluntary agencies the ability to review offers of help by ZIP code and skill set, post requests for volunteers, and direct unaffiliated volunteers to this portal in times of overwhelming response.

IMPROVEMENTS TO DONATION AND VOLUNTEER MANAGEMENT

FEMA has made vast improvements in its ability to assist States in managing cash and in-kind donations. Recognizing that many States may not have the resources necessary to implement broad donation management activities, FEMA, through a cooperative agreement with the Aidmatrix Foundation, has been able to facilitate an option that is useful in providing just-in-time support to States during large donations operations. The system has been used to effectively address disasters in California, Alabama, Oklahoma, Missouri, and Arkansas.

To date, FEMA has provided the Aidmatrix Foundation with funding of \$2.3 million to expand its existing web-based donations management network for use during times of disaster. These funds have established the national framework for an integrated, coordinated approach to donations management—by connecting private sector, Government and leading nonprofit entities—for relief deployment and also for round-the-clock use. Through this cooperative agreement vehicle, Aidmatrix personnel can rapidly deploy to the State Emergency Operations Center, Joint Field Office, warehouse and Volunteer Reception Centers or other locations where donations coordination is needed.

This system streamlines the way unsolicited donations are offered, accepted, processed, tracked, distributed and acknowledged. The Network's virtual approach allows Government and nonprofit users to see in real time the in-kind donations offers available for immediate distribution. The system is designed to support donor intent through directing and allocating aid at the State level so that during a disaster, qualified nonprofit organizations responding to the disaster can get offers more efficiently.

Under the agreement, Aidmatrix also offers State donations management coordinators with software tools to rapidly set up a call center to meet inquiries of the general public wanting to help in the aftermath of a disaster and for corporate constituents positioned to offer unsolicited in-kind products. State-designated portals are the preferred method of use for donation offers. States are encouraged to promote this portal as part of their donations management plan.

Twenty-four States, including Alabama, Arizona, Arkansas, California, Connecticut, Florida, Georgia, Indiana, Iowa, Louisiana, Minnesota, Mississippi, Missouri, New Mexico, New York City, North Carolina, Ohio, Oklahoma, Oregon, Puerto Rico, Rhode Island, South Carolina, Texas, and Virginia; have adopted the free tool from FEMA. All States are expected to be on board by the end of calendar year 2008.

SUMMARY

FEMA remains strongly committed to those affected by the disaster and the long-term recovery efforts in the Gulf Region. Based on our efforts there, FEMA has developed a national web-based donations management network for national and State use during times of disaster. The network is offered free of charge to States, and is a web-based tool designed to manage the offers of undesignated cash, unsolicited in-kind goods and unaffiliated volunteers. The system includes a multi-agency warehouse inventory component that came on-line June 2008.

Our efforts to date have paid off. During the recent Midwest flooding, the National Donations Management Network was made available to the States affected to allow them to capture offers of donated goods and help them manage their Multi-Agency Warehouses.

Additionally, FEMA Logistics is working closer with States and local governments and internally to ensure visibility within the Logistics Directorate. I can assure you that FEMA Logistics has and continues to make progress in improving its business practices in planning, managing and sustaining the national logistics response and recovery operations.

Thank you for the opportunity to testify. We would be pleased to answer any questions you may have.

Mr. CUELLAR. Thank you for your testimony, Mr. Smith. At this time I would like to recognize Mr. Castillo to summarize his statement for 5 minutes.

STATEMENT OF CARLOS J. CASTILLO, ASSISTANT ADMINISTRATOR, DISASTER ASSISTANCE, FEDERAL MANAGEMENT AGENCY, DEPARTMENT OF HOMELAND SECURITY

Mr. CASTILLO. Good afternoon, Chairman Thompson, Chairman Cuellar, Congressman Dent and Chairwoman Landrieu and Members of the subcommittee.

As the Assistant Administrator for the Disaster Assistance Directorate, I oversee FEMA's support for the many recovery activities we provide to States, communities and individuals as they work to rebuild their homes and their lives following a major disaster. I am here today in particular to discuss our actions under Emergency Support Function 6, or ESF No. 6. This is a section of the Federal response focused on the delivery of Federal mass care, emergency assistance, housing and human services when local, State and tribal response and recovery needs exceed their capabilities.

I will also address the reforms we have put in place over the past 2 years relating to the donation of goods and supplies.

Until 2007, there was not a coordinated, effective mechanism to capture offers and bring them to the attention of emergency managers for operational use. Uncoordinated shipments of unsolicited donated goods and large numbers of unaffiliated volunteers can cause unnecessary disruption and confusion in a disaster area.

This can lead to offers remaining unused or to waste of valuable resources. State donations management coordinators and others whose job it is to manage the public response can be overwhelmed.

As part of our ongoing effort to incorporate the lessons learned in last 3 years, FEMA released earlier this year the updated National Response Framework, or NRF. This designated us as the primary agency responsible are the mass care component of ESF No. 6, including donations and volunteer management.

Subsequently, FEMA established a donations policy for disasters and the provision of technical assistance on the management of spontaneous volunteers and unsolicited goods. In accordance with the Donations and Volunteer Support Annex of the NRF, each

State manages and oversees a distribution network of donated goods, and FEMA works closely, through our voluntary liaisons, to assist in the distribution process.

To support these efforts, my office developed a volunteer and donations coordination team that provides rapid, coordinated response and provides Federal support to tribal, State and local governments.

Our support activities can include coordination of unsolicited private and international donations, and the use of the Aidmatrix web-based application that enables us to make offers of donated goods, services and financial resources.

Recognizing that many States may not have the resources necessary to implement broad donation management activities, FEMA, through a cooperative agreement with the Aidmatrix Foundation, has been able to facilitate an option that is useful in providing just-in-time support to States during large donations operations.

The system has been used to effectively address disasters in California, Alabama, Oklahoma, Missouri, Arkansas, Iowa and Indiana. Aidmatrix has created a national framework for an integrated, coordinated approach to donations management by connecting private sector, Government and leading nonprofit entities for relief deployment and also around for around-the-clock use.

The system streamlines the way unsolicited donations are offered, accepted, processed, tracked, distributed and acknowledged. Twenty-three States have adopted this free tool from FEMA as of now.

Today's hearing is focused on how we managed the received donations in 2005 to help those in the Gulf Coast. Our written testimony today focuses on that in much greater detail, and I am sure we will address it in responding to your questions.

We all agree that FEMA did not have the systems in place to handle every aspect of our response to those catastrophic storms. But the truth of the matter is, even with this less-than-perfect system, FEMA has delivered more than \$50 billion in aid to those in need in the Gulf Coast.

We did distribute 143 truckloads of donated supplies received from around the world to those on the ground. FEMA's Gulf Coast recovery office did provide more than 90,000 households with kits to help them return to their damaged homes or move into a new residence, and it continues to disburse these kits today, with sufficient supplies on hand to meet the demand of those we are still serving nearly 3 years later, and perhaps most importantly we have learned to set into place the Aidmatrix system, which will help us make sure we do not make the same mistake again.

FEMA remains strongly committed to those affected by the disaster and the long-term recovery efforts in the Gulf region. We will continue to work with the Gulf Coast States to address long-term recovery efforts and the needs of the victims. We have put new systems in place to avoid repeating mistakes of the past, and our efforts to date have paid off.

Thank you for your time and your support of our on-going reforms. I look forward to answering the questions you may have.

Mr. CUELLAR. Thank you, Mr. Castillo. I now recognize Mr. Barney Brasseux to summarize his statement for 5 minutes.

STATEMENT OF BARNEY L. BRASSEUX, DEPUTY COMMISSIONER, FEDERAL ACQUISITION SERVICE, GENERAL SERVICES ADMINISTRATION

Mr. BRASSEUX. Thank you, Mr. Chairman. Good afternoon, Chairman Cuellar, Chairman Thompson, Senator Landrieu and Members of the subcommittee. Thank you for the opportunity to participate in today's hearing.

I am Barney Brasseux, Deputy Commissioner of the Federal Acquisition Service of the General Services Administration. The Federal Acquisition Service carries out the GSA Administrator's role in providing acquisition and logistics services to Federal agencies. Included amongst these logistics services is management of the Federal program for disposal of personal property. This is managed by our Office of Personal Property Management, part of our Office of General Supplies and Services.

Generally speaking, personal property is defined as any property except buildings, lands, agency records and naval vessels. The primary mission of GSA's Office of Personal Property Management is to maximize the reuse of Federal property.

As provided in Title 40 of the United States Code and implemented by the Federal management regulations, Federal agencies are required to report excess personal property to GSA for screening, for redistribution to other Federal agencies and other eligible recipients.

Property is generally transferred at no cost to Federal agencies, their authorized contractors, cooperatives and project grantees. Property is reported to GSAXcess, a web-based program that is used by our customers to screen and select needed property. Once reported, property is normally offered for screening for 21 calendar days.

For Federal agencies, most Federal property is transferred on a first come-first serve basis. Property transfers are also processed through GSAXcess. Recipients of property are responsible for making all necessary transportation arrangements.

Excess property which is not selected for transfer within the Federal Government is declared by GSA to be surplus to the Federal Government at the conclusion of the screening period. Once GSA declares the property surplus, the property can be transferred under the Federal Surplus Personal Property Donation Program. This program is operated through the State Agency for Surplus Property, SASP, in each State, territory, and the District of Columbia.

The SASPs are established under Title 40 of the U.S. Code and are responsible for determining the eligibility of activities within the State to receive donated Federal surplus property in accordance with the requirements in statute and the Federal management regulation.

The SASPs are also responsible for fair and equitable distribution of surplus property within the State and ensuring compliant use of property. Each State has a written State plan of operations for the SASP, which is approved by GSA. Eligible recipients of property under the donation program are specified in Title 40. Major categories of eligible recipients are State, public agencies, nonprofit and public health activities.

SASP will pick up and warehouse property for donation within the State or may allow the direct donation of property, meaning the donee will make arrangements to pick up and transport property which is allocated to them. Property that is donated is normally placed and used by a donee within 1 year for 1 year. Donations are made to the SASPs at no cost to the Federal Government. As SASPs are self-sufficient by law, they assess service and handling fees to the actual donee recipients in order to fund their operations. These fees are specified in the State plan of operation for each SASP.

SASP operations are reviewed by GSA regional offices on a regular basis to determine if operations are in compliance with the State plan and applicable regulations. GSA has the authority under the FMR to shorten screening when necessary or appropriate. Based on the concentration of property and its characteristics of potential demand, we often do so.

At times we will conduct an on-site physical screening event. In these cases we will most often offer screening for Federal agencies for 1 day. Once no Federal agency has expressed interest in the property, GSA declares the property surplus to the Federal Government.

On the second day, GSA offers screening for the SASPs. These on-site screening events are well advertised in advance to allow customers to travel and make transportation plans.

Regarding the current event under discussion, in mid-December, 2007, the Federal Emergency Management Agency, FEMA, initially advised GSA of its intent to report excess household goods to GSA and FEMA's request to conduct an on-site screening event. FEMA reported the excess household goods to GSA on February 4, 2008.

GSA and FEMA worked together to conduct an on-site screening event. A property management office in Ft. Worth advertised this event to our Nation-wide lists of Federal agency customers and to all SASPs through direct e-mails and through the National Association of State Agencies for Surplus Property.

The first day of on-site screening, February 13, 2008, was for Federal agency customers and representatives of 30 different activities who participated and requested property.

The second day, February 14, 2008, the remaining property was offered for donation to the 16 SASPs that elected to participate.

I would like to thank you again for this opportunity to speak to the subcommittees. I am happy to answer any questions you may have.

[The statement of Mr. Brasseux follows:]

PREPARED STATEMENT OF BARNEY L. BRASSEUX

JULY 31, 2008

Good morning, Chairman Thompson, Congressman King, Chairwoman Landrieu, Senator Stevens and Members of the subcommittees. Thank you for the opportunity to participate in today's hearing. I am Barney Brasseux, Deputy Commissioner of the Federal Acquisition Service (FAS) of the General Services Administration (GSA).

The Federal Acquisition Service carries out the GSA Administrator's role in providing acquisition and logistics services to Federal agencies. Included amongst these logistics services is management of the Federal program for the disposal of personal property. This is managed by our Office of Personal Property Management, part of our Office of General Supplies and Services.

Generally speaking, “personal property” is defined as any property except buildings, land, agency records, and naval vessels.

The primary mission of GSA’s Office of Personal Property Management is to maximize the reuse of Federal property. As provided in Title 40 of the United States Code and implemented by the Federal Management Regulations (FMR), Federal agencies are required to report excess personal property to GSA for screening for redistribution to other Federal agencies and other eligible recipients. Property is generally transferred at no cost to Federal agencies, their authorized contractors, cooperatives, and project grantees.

Property is reported to GSAXcess®, a web-based program that is used by our customers to screen and select needed property. Once reported, property is normally offered for screening for 21 calendar days. For Federal agencies, most property is transferred on a first-come, first-served basis, although for some specialized commodities, we will allow time for competition for these high-demand items, such as aircraft and construction equipment. Property transfers are also processed through GSAXcess®. Recipients of property are responsible for making all necessary transportation arrangements. The FMR states the property should be removed within 15 days, although that can be lengthened on agreement between GSA and the holding agency. GSA ensures that property recipients are aware of this time deadline and that property recipients comply.

Excess property which is not selected for transfer within the Federal Government is declared by GSA to be surplus to the Federal Government at the conclusion of the screening period. Once GSA declares the property surplus, the property can be transferred under the Federal Surplus Personal Property Donation Program. This program is operated through the State Agency for Surplus Property (SASP) in each State, territory, and the District of Columbia. The SASPs are established under Title 40 of the U.S. Code. The SASP is responsible for determining the eligibility of activities within the State to receive donated Federal surplus property, in accordance with the requirements in statute and the FMR. The SASPs are also responsible for fair and equitable distribution of surplus property within the State and ensuring compliant use of donated property. Each State has a written State Plan of Operations for the SASP which is approved by GSA.

Eligible recipients of property under the donation program are specified in Title 40. Major categories of eligible recipients are:

- State and public agencies, which generally include States, their departments, divisions, and political subdivisions of States, including cities, counties, and other local government units and economic development districts.
- Nonprofit educational and public health activities exempt from taxation under Section 501 of the Internal Revenue Code, including, but are not limited to:
 - Medical institutions and hospitals;
 - Providers of services to the homeless; and
 - Providers of services to the impoverished.

SASPs will pick up and warehouse property for donation within the State or may allow the “direct donation” of property meaning the donee will make arrangements to pick up and transport property which is allocated to them. Again, GSA will ensure removals are timely and within the established time frame.

Property that is donated is normally placed in use by a donee within 1 year, for 1 year. The usage requirement is lengthened to 18 months for property with an original acquisition value exceeding \$5,000. Donations are made to the SASPs at no cost to the Federal Government. As the SASPs are self sufficient, by law, they assess service and handling fees to the actual donee recipients in order to fund their operations. These fees are specified in the State Plan of Operation for each SASP.

SASP operations are reviewed by GSA Regional Offices on a regular basis to determine if operations are in compliance with the State Plan and applicable regulations.

GSA has the authority, under the FMR, to shorten screening when necessary or appropriate. Based on the concentration of property and its characteristics and potential demand, we often do so. At times, we will conduct an on-site, physical screening event. In these cases, we will most often offer screening for Federal agencies for 1 day. Once no Federal agencies express interest in the property, GSA declares the property surplus to the Federal Government. On the second day, GSA offers screening for the SASPs. These on-site screening events are well advertised in advance to allow customers to make travel and transportation plans.

Surplus property not selected for donation is offered for public sale. The Office of Personal Property Management’s Sales Program is approved as a Sales Center under the Federal Asset Sales Program (eFAS), one of the initial e-government initiatives. GSA is the only Nation-wide activity approved as a Sales Center for all commodity groups and for all methods of sale. Surplus property is offered for com-

petitive sales to the general public, most commonly through GSA Auctions®, our internet auction site. All GSA sales, whether on the internet, or live auctions or other methods still utilized at times, are listed on GovSales.gov, the eFAS central portal for all Government sales.

Regarding the event currently under discussion, in mid-December 2007, the Federal Emergency Management Agency (FEMA) initially advised GSA of its intent to report excess household goods to GSA and FEMA's request to conduct an on-site screening event. FEMA reported the excess household goods to GSA on February 4, 2008. GSA and FEMA worked together to conduct an on-site screening event. Our Property Management Office in Fort Worth advertised this event to our Nation-wide list of Federal agency customers and to all SASPs through direct emails and through the National Association of State Agencies for Surplus Property.

The first day of on-site screening, February 13, 2008, was for Federal agency customers and representatives of 30 different activities participated and requested property. The second day, February 14, 2008, the remaining property was offered for donation to the 16 SASPs that elected to participate. Those SASPs were Alabama, Arkansas, Georgia, Illinois, Kansas, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, North Carolina, North Dakota, Oklahoma, Pennsylvania, South Dakota, and Texas.

Thank you again for this opportunity to speak to the subcommittees. I am happy to answer any questions you may have.

Mr. CUELLAR. Again, thank you for your testimony. I want to thank all of you for your testimony. At this time I would like to remind each Member that he or she will have 5 minutes to question the panel.

Members, as you know, we have been notified probably around 2:15 or 2:20 we will be called for six votes. We will leave, Senator—when they do call us for votes, to continue the meeting, we will leave to the Senator here, vote, and then come back and join you.

The only thing I would ask you, just in case if we leave before we finish the questioning, with all due respect, sometimes, there is a tendency of some of the Federal agencies that as soon as they give their testimony, they walk out. Then the second panel will come in and point out certain shortcomings or certain deficiencies, have a tendency of agencies not listening to them.

So I would ask all three of you all, if you don't mind, with all due respect, that when you finish if you can just sit here and listen to the second panel, because I think we are all here to learn from each other.

So at this time I am going to recognize myself, the order that we have right now, the changes, I am going to go ahead and recognize myself for 5 minutes.

Senator, I will recognize you, Mr. Thompson, Chairman Thompson, Mr. Dent, Mr. Etheridge, and then Ms. Jackson Lee if she comes back, five Members, 5 minutes.

I will go ahead and recognize myself. Mr. Smith, let me ask you a question. You had mentioned that there were—the media was erroneous in the reporting. I am going to ask you, specifically, I know you went over that, but I want to know specifically how were they erroneous in the reporting? What is it that you are saying that you did not do wrong, No. 1?

No. 2, we are here for a purpose, as you know, there are a Senator and some Members here that have certain questions to ask, and I want to know where those questions are based on certain assumptions, and I want to know from your opinion how are we wrong on those assumptions for having this particular meeting here.

So, Mr. Smith, if you could answer the first part or the second part.

Mr. SMITH. Thank you, Mr. Chairman.

First of all, there are a couple of different points. The immediate articles reiterate, kept reiterating the fact that we gave away supplies. In fact, we, again, as I stated in my statement, according to the Federal management regulation, we cannot give away anything. We had to use the established Federal process to dispose or excess these supplies. So that was one statement that they kept saying that we tried to correct, to let them know that it wasn't a giveaway, that it was actually following the Federal process.

Then, again, the reporting of the actual amount of \$85 million, the amount was actually \$18.5 million, and one of the articles reiterated the fact that none of the supplies ever reached their destination, that these supplies never reached their intended recipients, while in fact the way that the logistics system got these supplies is because they were all sent out to the Gulf States. Once the sites closed down, FEMA operations—I mean, the support operations closed down, in fact, these supplies were sent back to me, to my operations. We didn't receive them and did not issue them. They were returned from us after they were not used, from different areas, Mississippi, Louisiana, all the field sites that we were operating, returned to my site.

Then, in addition to that, we tried to explain that, to today, we still have supplies in Louisiana, throughout the Gulf States, which we continue to issue to eligible applicants to the housing program, as in fact—just as recently we have issued about 9,000 living kits. We still have living kits in the storage down there today, and whenever the eligible applicant has a need for those we issue them those kits.

The other fact that we have taken corrective action, which in fact that is not the case. We learned from that when that happened, and my colleague Carlos Castillo will talk a little bit later about how we are doing that through the Aidmatrix process.

Mr. CUELLAR. Okay, that is the first part. The second part, there is an assumption of why you are here and why you are going to get a series of questions. How were we wrong on that assumption? Where are we missing? What is the basic premise here?

Mr. SMITH. I am sorry, Congressman.

Mr. CUELLAR. In other words, you are saying that the media reports are wrong. I think you focused on the part of I say, you were saying, well, we didn't give it away. We disposed of it according to certain rules.

But the bottom line is, did they get, did all of them get to the intended purpose, and that is to help the survivors?

Mr. SMITH. As far as I am aware, that the entities that requested support through their, the Louisiana, the long-term recovery office or the caseworkers, received the supplies that they asked for. I am not aware of any instance where someone asked for supplies in any of the Gulf States that was passed through one of our organizations that was not filled.

Mr. CUELLAR. What about the 16,000 Katrina survivors that are still there? Have you outreached to them and said we have, because I think you said you still had some supplies and warehouses?

Do you feel satisfied that all those folks don't need any of those supplies that are still in those warehouses?

Mr. SMITH. I will attempt to answer that because that is a little bit out of my area as far as individual assistance. But from the way I understand it, the process works, is that if a recipient, if there's an eligible recipient that has a need, they make their need known through the long-term recovery office there, and that need is filled through the assets that are there on the ground through that recovery office.

If the recovery office does not have those assets or can't meet that need, they would then pass that requirement back to me at the strategic level, and I will supply it for them.

Mr. CUELLAR. Okay. Senator, I am going to go, we alternate, I apologize for that. At this time I recognize my Ranking Member, Mr. Dent from Pennsylvania, for his 5 minutes.

Mr. DENT. Thank you, Mr. Chairman. Mr. Castillo, effective logistics management can greatly assist in a disaster management team, as we have seen with the California wildfires and Midwest floods.

During the floods, I requested that Aidmatrix be installed and used to manage unsolicited donations. This is the first time that the Aidmatrix network was utilized for a large-scale event.

What is your overall assessment of the effectiveness of the Aidmatrix system during those recent disasters?

Mr. CASTILLO. Yes, Congressman, we have actually had very positive feedback from this. As you know, it is the first time it was used there. In Iowa, we have had—I have got actually a couple of examples for Iowa itself, 15 of 40 offers of in-kind goods were accepted, including one single carpeting offer, for example, worth \$200,000.

In addition to that, a transportation offer, or transportation need was fulfilled that was worth \$10,000 to transport the carpeting. I think it is a good example of bringing the need and the donors together through that process with Aidmatrix in Iowa.

Overall, we are still using it, we have utilized it since last year with the California wildfires and have had a lot of positive feedback and will continue to review and revise it as necessary as we use it.

Mr. DENT. So you thought it was effective in moving the goods and volunteers to appropriate locations?

Mr. DENT. Yes, sir, and in tracking them, and this way it ensures the proper and effective utilization. I think it has been effective, sir.

Mr. DENT. Have you identified any revisions or upgrades to the Aidmatrix system that should be made to improve its utilization or effectiveness?

Mr. CASTILLO. Well, the system is very robust. It is web-based and it allows access from different levels. I think part of what we are seeing is that, one, the need to get it out and increase and continue our outreach to other States that can be part of it and sign on to the system as well, as well as we have revised some of the training courses that we have provided at the State level. We have already conducted some of those courses. We also want to expand that to the local level for their use.

Mr. DENT. Mr. Smith, in the aftermath of Hurricane Katrina, as you know, FEMA was heavily criticized for its disaster management, including its logistic operations.

What systems, if any, did FEMA have in place prior to Hurricane Katrina to record, track, store and transport both purchased and donated goods?

Mr. SMITH. Unfortunately, Congressman, FEMA did not have any systems in place to track commodities or donated goods. That is, in fact, why we created the Logistics Management Directorate to look at a wide range of supply chain processes and procedures to put those in place to make sure that we didn't repeat those—the mistakes that, you know, that were as a result of Katrina.

Mr. DENT. Then I guess my follow-up, I guess what I was going to ask you was what the level of coordination was that took place between FEMA and the affected States prior and during Katrina regarding commodity and donations management. Were there many, and how is it different today?

Mr. SMITH. Primarily in the past it was a reactive process, where we worked through our region headquarters to work with the States. But, today, FEMA headquarters with the Logistics Management Directorate, particularly in the logistics area, have taken a more proactive role.

We plan with them on a daily basis, have outreach programs where we work with them to try to understand their needs and to meet their needs ahead of time. So when the time comes we are, in fact, just executing what we have in plan.

Mr. DENT. Mr. Brasseux, once a Federal agency determines that it has surplus property, it notifies the GSA and provides an accounting of the surplus items. GSA then notifies other Federal agencies of the items available. Through a screening process that typically lasts 21 days, Federal agencies may select items on a first come-first serve basis.

How does a Federal agency determine that a surplus property is ready for disposal to the GSA?

Mr. BRASSEUX. It is up to each and every Federal agency based on their needs and their usage of what they have. They may make a determination that that property is excess to them. They then notify GSA, and then we begin a process of disposal.

Mr. DENT. Who at the Federal agency determines what property is surplus and what is not?

Mr. BRASSEUX. Well, it can be a variety of different areas, depending. It is the agency head or their designee, and it can be a variety of different levels depending on their agency.

Mr. DENT. I yield back.

Mr. CUELLAR. Thank you, Mr. Dent, for your questions.

At this time I recognize for 5 minutes Senator Landrieu.

Senator LANDRIEU. Thank you very much. I would like to direct my question to whoever was responsible for responding to the story that broke on June 11 about the misplaced or given away—we will determine what that was—supplies. Mr. Castillo, was it you, or was it you, Mr. Smith, that was a designated person within FEMA to try to ascertain if \$85 million worth of items was truly given away or misplaced, or was it \$18 million and how did it happen? Which one of you is designated as the point person?

Mr. SMITH. Madam Chairwoman, I am.

Senator LANDRIEU. Okay. Let me ask you a few questions about what you discovered. Did the FEMA regional office contact the FEMA transitional office, recovery office in New Orleans about these supplies, to your knowledge, and the answer is yes or no, before the items were designated as surplus? Did the regional office contact the FEMA transitional office in New Orleans about the existence of these supplies before they designated them as surplus?

Mr. SMITH. Not that I am aware of.

Senator LANDRIEU. Did anyone in FEMA contact, to your knowledge, the Louisiana Recovery Authority, the State's principal recovery agency, about these supplies?

Mr. SMITH. Not that I am aware of.

Senator LANDRIEU. Did anybody at FEMA contact the Louisiana Family Recovery Corps, which had been designated by the State as the official agency to coordinate assistance to disaster systems, with the supply?

Mr. SMITH. Not that I am aware of.

Senator LANDRIEU. Did anyone at FEMA contact the Louisiana voluntary organizations active in disaster, which is the coordinating role that all the nonprofits in Louisiana have organized themselves into so that they can be coordinated, did anybody from FEMA contact them?

Mr. SMITH. Not that I am aware of.

Senator LANDRIEU. Okay. So my question is, then, since no one from FEMA contacted anybody, even yourselves, you didn't contact your regional office, you didn't contact the State office, you didn't contact the nonprofit, how did you determine that these items were not needed?

Mr. SMITH. From a logistics standpoint, when we have commodities in our inventory, we base the use of them, the utilization on demands. If we don't have demands on that, nobody asks for them, we have no requisitions for them, we determine if there is an ongoing need to keep them. When we didn't have demands for these items, we went through the process of following the Federal regulation.

Senator LANDRIEU. Well, let me ask you something, if I could: How can people ask for something they don't know exists?

Mr. SMITH. They have to have a need. If they developed a need, that they have a bona fide need, it is their responsibility to pass that need on.

Senator LANDRIEU. Well, you might reach that conclusion, but I am not willing to reach that conclusion. In fact, I actually have a letter from our State I would like to submit to the record. Interestingly, it was dated February 7, which is addressed to Mr. Stark, signed by Mr. Rainwater, who will testify today.

It is very clear in this letter, which is lengthy, so I will not read it, but the operative paragraph is that they are asking for assistance to the 6,000 households that have been in trailers that are now moving from trailers at the order of FEMA into other places to live.

The letter goes on to say that not only will these households need to have a physical structure to live in, a rental unit, house or something, an apartment, but they are also going to need household es-

establishment funds, and they actually requested \$6 million toward this. This is an additional request that came to Mr. Stark in February, I guess around the same time that you all were determining that no one needed the items.

So I would like to submit this letter for the record.

Mr. CUELLAR. The letter is admitted into the record, without objection.

[The information referred to follows:]

FTR LRA.com

Print submitted for the record by Sen. Landrieu



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PAUL W. RAINWATER

February 7, 2008

Mr. Jim Stark
Interim Deputy Director of Gulf Coast Recovery, FEMA
1 Seine Court
New Orleans, LA 70114

Dear Mr. Stark:

In follow up to a meeting with your team, HUD, state partners and the Louisiana Family Recovery Corps at LRA's office on January 26, 2008, I am writing on behalf of the LRA and the Recovery Corps to request funding for recovery planning and household establishment assistance for FEMA trailer community residents. It is our common goal to transition vulnerable evacuee households from temporary to permanent and sustainable housing situations.

As you know, the LRA and the Recovery Corps signed a Memorandum of Understanding on January 27, 2008 outlining the roles of each organization and officially designating the Recovery Corps as the state coordinator of human recovery issues related to Hurricanes Katrina and Rita. This action empowers their organization to work directly with FEMA and HUD to coordinate recovery planning services to serve this population of affected citizens. Specifically, the Recovery Corps will identify needs of these displaced households, gaps in resources, and work with partner agencies to establish protocols for helping our affected families to get back into stable communities, including resources for housing and community service infrastructure. They will be transparent and accountable through regular progress reports, tracking the number of households served, demographic information on these households and progress on attaining household goals. Thanks to your assistance, the Recovery Corps has finalized a data sharing agreement with FEMA that would give it access to information about the remaining residents of FEMA trailer villages. However, without adequate funding, effective transitioning of households out of these communities cannot take place.

The LRA continues to convene the necessary state agencies to address this temporary housing transition, to represent the Governor's office in these interactions, and to establish work plans and timelines for the partners.

The LRA serves as the primary communicator for Louisiana to ensure that the Governor's office is aware of ongoing challenges, opportunities and needs and also to engage FEMA, HUD, and other federal agencies to address necessary policy changes, waivers, or to request additional resources.

Mr. Jim Stark
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It will cost \$10,800,000 to provide coordinated case management services to 6,000 households for eight months, which includes case manager salaries, fringe benefits and operating costs at an amount of \$36,000 per case manager. Case managers provide a vital service to trailer residents: they assist residents with every step of the recovery process. The Recovery Corps plan would coordinate the work of agencies providing case management, capture data about what agencies are serving which clients, and avoid duplication of services. This plan will provide the necessary coordination of services about which we all have discussed the crucial need. In addition to some new hires for these services, the Recovery Corps will leverage the existing capacity of local nonprofits by hiring case managers already in the field, but not currently providing assistance to trailer residents.

This proposal includes \$6,000,000 to provide Household Establishment Funds in the amount of \$1,500 per household for 4,000 households. In addition to case management assistance, many trailer residents require a jumpstart in order to transition into new and sustainable housing. The working residents who lost everything they owned during the storms will be positioned to sustain their housing situation with a little assistance at the beginning of the process.

It will cost \$2,016,000 to ensure that the Recovery Corps is able to administer the coordinated case management services and provide Household Establishment Funds for eight months. The administrative costs include salaries and fringe benefits, training and outreach, evaluation and monitoring, information technology and operating costs. These costs will enable the Recovery Corps staff to focus on quality assurance, evaluation and results for residents of FEMA trailer communities. Further, the Recovery Corps will expand its current staff by six personnel to include: one research and evaluation administrator, two quality assurance analysts, one training coordinator, one information management coordinator and one accountant. Having a uniform process and identical data capture will allow us to properly measure our success in transitioning families from FEMA trailer communities. This has not been occurring at any level and is vitally needed so that Louisiana is able to track the status of our families who have passed or are passing through these temporary disaster housing programs.

The budget outlined here and in the attached was developed with the needs of families' top-of-mind. After working with more than 30,000 families since Katrina and Rita struck Louisiana, the Recovery Corps is well versed in the needs of people and can ensure a successful transition of temporary housing residents, as well as leverage and benefit of all other agencies and organizations involved in recovery. A coordinated case management effort is critical for achieving FEMA's goal of transitioning families.

Should you have any questions, please do not hesitate to contact Adam Knapp at the LRA at (225) 342-1854. We will follow up immediately to discuss your thoughts on how we can move forward together.

Sincerely,


Paul W. Rainwater
Executive Director

cc: Raymond Jetson, Louisiana Family Recovery Corps
Milan Ozdinec, U.S. Department of Housing and Urban Development
Donald Powell, Federal Coordinator for Gulf Coast Rebuilding

Attachment

AN EQUAL OPPORTUNITY EMPLOYER

Senator LANDRIEU. Again, I would also like to ask to you, Mr. Brasseux, with the GSA, Mr. Rainwater's statement submitted to this committee says the record indicates that when GSA contacted the State of Louisiana Surplus Property Agency, as being at Ft. Worth for property screening, as you testified on the 13th and 14th, but it did not indicate that the surplus goods that were invited for people to screen were originally intended for Gulf Coast hurricane recovery victims.

Did anyone at GSA, to your knowledge, indicate to the State that these supplies that were now at Ft. Worth were previously identified as hurricane relief items?

Mr. BRASSEUX. No, not to my knowledge. They were identified—

Senator LANDRIEU. Hold on. So your agency called the State and said there were some items, unidentified items, and if they had time on their schedule they could come to Ft. Worth and look. At no time, do you know, was the State of Louisiana told that these were previously designated for hurricane survivors?

Mr. BRASSEUX. They were told that they were household items that would include towels—dish, hand, bath—sheets, pillows, coffee makers, sandals, dinnerware, et cetera.

Senator LANDRIEU. So the items were described.

Mr. BRASSEUX. They were described to some extent, but it was not indicated that they were for hurricane.

Senator LANDRIEU. Well, I would suggest that the system that FEMA is currently using—which is, unless somebody is knocking down your door screaming for supplies, you don't have any obligation to reach out to the States that you are created to serve, or to at least partner with in an emergency—is wholly insufficient, Mr. Smith.

In addition, I can claim that they did request at least \$6 million of the \$18 million that you all gave away. So I am going find out where this letter went, who responded and who hasn't.

The final question I want to get in for the record, because my time is up, I wrote a letter to Secretary Paulson—let's see—on June 12. I asked him—in an attempt to get to the bottom of this, I requested his assistance in returning any of the supplies back to the States of Louisiana and Mississippi: "Would you provide my office with an inventory of anything that you currently had so maybe we could help you?"

The response I got was: We will work with you and your staff to ensure visibility into the distributed supplies, as well as any remaining in storage. But I have yet to receive any kind of inventory list.

Do you have something available now to submit to this committee, any kind of list that we could look at, to see what you have in storage that was originally purchased on behalf of victims or survivors of these storms that we could look at and see if we can help you place them in appropriate places?

Mr. SMITH. Madam Chairwoman, I mentioned in my earlier statement that we learn from our mistakes, and we will fix it.

What I described to you earlier is what happened during this current incident when we excessed supplies. We have since learned from that. We will now notify the LTROs, Mississippi and Louisiana, any of the offices out there that still have case workers for eligible applicants to let them know whenever we have additional supplies that are available for them. So we will give them notice prior to going through the proper process, to get it into their hands.

Senator LANDRIEU. It is not just notice—I want to finalize this—it is not just notice to them. It is your own due diligence to determine whether something is a surplus or not. A surplus, by definition, is something that is not needed; it, therefore, becomes a surplus.

But you didn't even make one phone call to anyone to determine if they were needed or not. You just declared surplus, turned it

over to Mr. Brasseux and then he operated under the technical application of the law. But what that did was, it left out thousands of families that are still in need.

My time is up.

Mr. CUELLAR. Thank you, Senator. At this time I would to recognize for 5 minutes the Chairman, Mr. Thompson, from Mississippi.

Mr. THOMPSON. Thank you very much, Mr. Chairman.

Mr. Smith, can you provide this committee with any written policy by which you operate and determine whether or not goods are to be surplusd?

Mr. SMITH. We are in the process of developing those processes and procedures right now. As you are well aware, the FEMA logistics directorate is just a little over a year old, and as these incidents like this come up, we do aggressively attack them and figure out how to best execute against them. So in the process—we are in the process of developing our procedures for excessing supplies.

I would like to also—

Mr. THOMPSON. Well, I only have so much time. So as of this hearing there is no written policy or governance for the excess and the surplusd of donated goods and supplies?

Mr. SMITH. Yes, there is. The Federal Management Regulation, that is the regulation that we use.

Mr. THOMPSON. I understand that. That is not the FEMA regulation; that is the GSA regulation. But you should have an operating policy by which you make that determination.

Mr. SMITH. Yes. And now—

Mr. THOMPSON. And you don't have it?

Mr. SMITH. I will take that question for the record and get back to you. Because I know we have to make a determination whether supplies are excessed to our needs before we can actually turn it over to GSA for excess. I will have to get that for you in our property accountability records.

Mr. THOMPSON. Do you have a method of determining whether or not outreach has taken place to nonprofits and eligible individuals who should receive donated supplies?

Mr. SMITH. No, Mr. Chairman. That is not my responsibility, that is not my area of expertise; that is an assistance area for outreach.

Mr. THOMPSON. Well, that is fine.

Mr. Castillo.

Mr. CASTILLO. Yes, sir. Specifically, in Louisiana and Mississippi, we work with our voluntary agency liaisons that participate on the long-term recovery committees in both States.

In addition, all of the—for instance, Louisiana was brought up. The case managers that are working with the folks that are still in mobile homes and temporary housing units that—we work closely with them to identify their needs; and they are told regularly, once there—as was mentioned before, the living kits. As people transition from a temporary housing unit into a rental unit or another home, then we provide them with that, with those supplies.

Mr. THOMPSON. So your testimony is that, to your knowledge, there are not any Katrina survivors who could have benefited from any of these donated items that had been surplusd because the

outreach effort of FEMA was so robust that you covered the waterfront?

Mr. CASTILLO. I didn't actually say that, sir.

I can tell you that the victims that are eligible applicants, households that are eligible applicants, I feel comfortable we have a good outreach, a good coordination with them through our Gulf Coast and our long—or Louisiana Transitional Recovery Office. I feel confident that those people who are still—are eligible applicants have been reached out to and have been coordinated.

Now, part of what, you know, and I think was mentioned in the testimony—just to repeat—what we have, when it is disaster relief, purchased goods and supplies for hurricane or disaster victims in that area, that is who we focus on.

There were—part of what is under discussion here is part of what has been in supplies and goods was purchased by the Federal Government, part was donated goods.

Mr. THOMPSON. Well, and I am glad you mentioned that because you also said that there was no policy in place to distinguish between the two in your testimony; am I correct?

Mr. CASTILLO. Well, there is no—to manage those two, and primarily to manage the donations, the purchased—the DRF, the Disaster Relief Fund, purchased supplies. That is what Mr. Smith's directorate was established to manage.

The challenge was donated goods that come in.

Mr. THOMPSON. So you don't have it?

Mr. CASTILLO. We didn't at the time. To manage—

Mr. THOMPSON. You do now?

Mr. CASTILLO. Well, sir, for managing and helping track donated goods through a matrix being a State resource that we have provided allows them to request, to track and to allow it to distribute and tracking those donated goods at the State level.

Mr. THOMPSON. Well, I guess part of what we are trying to do is that if we provided information to you that there are still people who could benefit from those goods that have been surplus, I mean, what should we do?

Mr. CASTILLO. Well, sir, we have taken that. If there are victims—working through the VOAD, the national VOADs and the State VOADs, I think that is a good way to get that word out. I understand that there is a process in place that the States have mentioned here that are able to coordinate that.

As I said, what we outreached to, and what we have I believe is a good handle on, is the people who are still applicants under FEMA's responsibility.

Mr. THOMPSON. Well, and I guess for the record we will submit some additional questions, because I think we will hear from some people on the next panel who have been actively involved in working with Katrina victims, who will say they still are not aware of this system you have just explained.

I think part of what we are trying to get at as a committee is to make these services and goods, whether they are purchased or donated, available to the people for which they are intended. That is one of the things we are trying to establish.

Also, for the record, I want to say that, Mr. Smith, Congress in its wisdom exactly separated part of the function that you do now

in the reorganization of FEMA because we saw the very problem you are dealing with right now. Logistics is a nightmare, and that is why we specifically mandated the logistics and coordination function to be separated. Obviously we still have to have some work going forward to be done for it to be effective.

Thank you, Mr. Chairman.

Mr. CUELLAR. Yes, sir.

Before I move on to Mr. Etheridge, a quick question. How much time do you need to get the policy—if you do have a policy—I think the Chairman had requested? I want to make sure we don't let this go on for too long in the future.

Mr. SMITH. We have a revised property management regulation that we have right now. I just need to go back and look at it to make sure that our excess process is covered in that manual. I am pretty sure it is.

Mr. CUELLAR. Five working days from today?

Mr. SMITH. Yes, Mr. Chairman.

Mr. CUELLAR. So no later than 5 working days—if you can, of course, sooner—submit it for the committee.

At this time, I would like to recognize the gentleman from North Carolina, Mr. Etheridge, for 5 minutes.

Mr. ETHERIDGE. Thank you, Mr. Chairman. Thank you for holding this hearing.

You know, in your response, Mr. Smith, to Senator Landrieu, I couldn't help but think—and the Chairman's response just now of separating logistics from operations, et cetera—we used to have a FEMA that worked. I do remember that. I remember we had a horrible flood in North Carolina called Flora.

We have lots of hurricanes. North Carolina sort of has that reputation; we sort of stick out there. We watch weather in hurricane season, because normally when it dials 911, it sort of heads our way.

But they responded. I recognize that Katrina and Rita were substantial hurricanes, but here we are now almost 3 years after, over 3 years after it happened, and we are trying to figure out what is happening to stuff people have donated. It really bothers me, and I am sure people are really concerned about whether we can respond to something else.

That leads me to a couple of questions because I think there are a lot of people in this country and around the world who are good-hearted people; they want to help others. But we sure have left a blotch when they want to help again if we can't say to them, we are going to look at the stuff you are going to send us and it is going to get to the people who really have a need.

I have been fortunate. I have never been in that situation, and I hope you haven't. But I have seen a lot of folks sitting on the curb crying, and the only thing they had left, maybe, was a family Bible, if they were lucky. The fact that we are still scrambling to find out why we can't get this done bothers me greatly, because people, when in an emergency, they want to help.

Mr. Smith, my question to you is, what steps has your directorate taken to ensure that there will be sufficient amounts of commodities available for victims should another major catastrophic event happen?

No. 2, can you or Mr. Castillo reassure the public that next time they want to help out in a disaster that their efforts will not go in vain; and we won't be here again talking about stuff that is in a warehouse that didn't get there and then we are trying to figure out what happened to it? Because I am concerned about what happened in the past, but I am really concerned about what is going to happen in the future.

I don't need 5 minutes. I just need about 30 seconds, yes or no.

Mr. SMITH. Yes.

Well, first of all, recent incidents that we supported, the Midwest floods, a hurricane in Texas, are a testament to the fact that we can deliver when we have to. We delivered over 6 million liters of water to the Midwest floods, over 200,000 meals, and so on and so on. We simultaneously supported eight States at one time, and then for a period of time we also added California in there for the fires.

So the issue that we are talking about today are decisions or issues that happened in Katrina.

Mr. ETHERIDGE. So you are telling me, we aren't going to be revisiting this again in the future?

Mr. SMITH. No, sir, not as long as I am there we won't.

Mr. CASTILLO. Sir, on the second part of your question, as long as I have been involved in emergency response, I have learned from responses here and internationally that donated goods or unsolicited volunteers, if not managed, if not coordinated and understood, adds to the problem.

I believe when people, as you said, good-hearted people that want to donate supplies and want to give to help out—if they are explained what is appropriate to donate and what is actually needed, because what they want to know is that what they have given or what they want to give will get to the people that need it.

I believe what we have put in place since Katrina, especially with Aidmatrix, to help the States coordinate that so that they can ask for—

Mr. ETHERIDGE. So you are telling me you have that taken care of?

Mr. CASTILLO. I believe so, sir.

Mr. ETHERIDGE. All right. I am running out of time.

Mr. BRASSEUX, the committee staff was told us that GSA needed to terminate the lease with FEMA expeditiously because warehouses were not up to Federal codes and standards, which may have led FEMA to hastily declare the goods stored in excess.

Two questions: What is the current status of the warehouses that FEMA leased? No. 2, have the warehouses been destroyed, upgraded or serviced since the surplus property was removed from those warehouses?

Mr. BRASSEUX. Sir, I believe you are talking about the additional warehouse space that FEMA requested in our Fort Worth area. We have provided five additional warehouses at approximately 240,000 square feet each for FEMA to use. The initial agreement was, they needed to be out of those by September 7. At the time, I believe FEMA actually considered even purchasing some of those warehouses—so we continue to grant extensions—and they actually moved out on April 8.

I am not aware of any issues with the buildings themselves. That is our Public Building Service, but I can certainly take that question and get back to you.

Mr. ETHERIDGE. Would you please?

Mr. BRASSEUX. I certainly will.

Mr. ETHERIDGE. Thank you.

Thank you, Mr. Chairman. I yield back.

Mr. CUELLAR. At this time, I would like to recognize the gentleman from Texas, Ms. Jackson Lee, for 5 minutes.

Ms. JACKSON LEE. Mr. Chairman, let me thank you for your courtesies, that of the Ranking Member of a subcommittee of the House Homeland Security Committee. Let me thank my dear friend, Senator Landrieu, for her persistence in leading on what has to be characterized as a major historic tragedy in America.

I thank my Chairman, who has been a consistent champion, a General, on methodically discovering the fractures on both Homeland Security as it relates to the war on terror, but also the needs of the people of this country.

I just, gentlemen, want to characterize that I think America looks to the Federal Government in time of need. The world looks to us as the Good Samaritan, the Red Cross when it does right, the knight in shining armor, the Boy and Girl Scouts, and first responders all wrapped up into one. For those of us who were early into the Gulf region after the catastrophic event of Hurricane Katrina and, of course, subsequently Hurricane Rita, which impacted my community in Houston, we saw not only the devastation but the pain.

So my first question is to Mr. Castillo and Mr. Smith. When did you come to FEMA?

Mr. CASTILLO. I started FEMA July 2, 2007.

Ms. JACKSON LEE. After Hurricane Katrina?

Mr. CASTILLO. Yes, ma'am.

Mr. SMITH. April 2, 2007.

Ms. JACKSON LEE. Well, gentlemen I walked along the Gulf Coast in a big tent and saw people that had absolutely nothing. I went back and I went back, and they were still in that tent and they were eating out of soup kitchens; and they had absolutely nothing.

I walked in the Astrodome where people were on cots and they had, as I think my colleagues have said, maybe a Bible, and clothing that had been given to them by others.

So let me just say to you that I will focus questioning, because there are many of us who see this globally. But like me, we lived this, whether it was Galveston in the early 1900's, where 6,000 died, or whether it was a series of incidents here.

So let me ask you this: Do we still have these goods left over? Do you still have goods left over?

Mr. Smith.

Mr. SMITH. We are in the process of cataloging what we have, and we think that may be donated goods for hurricane victims.

Ms. JACKSON LEE. What about goods that were bought with our tax dollars?

Mr. SMITH. That is our dilemma, ma'am. They are all commingled.

Ms. JACKSON LEE. I understand. But there are goods somewhere? You can say, yes, that they exist?

Mr. SMITH. Yes.

Ms. JACKSON LEE. Do you have a national utilization office?

Mr. SMITH. Yes.

Ms. JACKSON LEE. How old is that office?

Mr. SMITH. It predates me.

Ms. JACKSON LEE. But does it predate Katrina?

Mr. SMITH. I believe so.

Ms. JACKSON LEE. So, in essence, they were derelict in their duty, and they did nothing; because if they existed, the responsibility is to develop a process for dealing with surplus goods. So they obviously didn't function.

Are you revising them?

Mr. SMITH. Yes.

Ms. JACKSON LEE. They will be under your shop?

Mr. SMITH. We just had that conversation this morning, ma'am. My recommendation is that it is under my shop.

Ms. JACKSON LEE. Well, you have been doing very well here today, and we hope that maybe you will get that opportunity.

So do we know whether these goods are good or spoiled, meaning, are they usable goods or have they gotten soiled, spoiled—they have gotten mold on them?

Mr. SMITH. That is a process that we are undergoing right now, whether they are usable goods.

Ms. JACKSON LEE. I would like that information. I would also like if you would be able to give us a cost estimate of how much those goods might be worth on the market.

If I may just finish, can you tell me the role that you will be playing in reaching out to States and nonprofit organizations regarding what is left, so that we can ensure that remaining survivors that exist can get these goods? What will you be doing to get goods to the needy?

Mr. SMITH. My role would be to ensure that the States who are the point of contact for the people that need them understand what we have and what is available for them. I will work through the recovery officers in each one of the States to make sure that they talk to their State counterparts.

Ms. JACKSON LEE. All right.

Let me quickly say, what were the factors considered when deciding to classify donated goods or surplus? Do we have any process for that?

Mr. SMITH. Yes, ma'am. They are what we call "initial response resources." There are about seven items that we carry on a regular basis for response. If they are outside of that, those items, then for the most part we determined they may be donated items. Because there were clothing, things like that; we don't carry that type of stuff.

Ms. JACKSON LEE. So you would know they were donated.

Let me just read into the record what I think the problem is, on behalf of the committee. When the Secretary was asked—Secretary Chertoff was asked about FEMA's logistical shortcomings, he testified these words, that "FEMA's logistics systems simply were not up to the task."

Let me acknowledge the great work of FEMA employees all over this country, and congratulations on these immediate issues of Iowa and other places that you have had and thank your administrator, Mr. Paulson. There is a difference of night and day.

But what I would say to the committee, and what I believe is the crux of the problem—and I would like Mr. Smith and Mr. Castillo to comment, because Mr. Brasseux has already commented that he doesn't have any more warehouse issues to deal with right at this point.

The point is that I think it is broken. Your answer was, I want to deal with the State in order for them to handle the issue. I guess Governors take pride in you dealing with them. I frankly believe that is a broken system, and I would commend to this committee that we need legislation to reorder the structuring of the distribution of aid to the needy. Because every State government that has gotten this distribution gets an F, particularly in Hurricane Katrina.

For you to say to me that I am going to get with the State, then all I can see is a warehouse with mold and animal droppings over goods; and human beings that need pots and soap and all of that not there.

So let me try to find out, how do you leap over the bureaucracy of a State government to get aid to people who are in need—for example, if they existed today? I end on that question.

Mr. SMITH. I don't know if I can actually answer that question, because it is engrained in the Stafford Act. The Stafford Act says we provide—the State is our customer under disaster response, and I have to respond to the needs of the Governor who is responsible for his citizens.

Ms. JACKSON LEE. So you are saying there are no emergency conditions where you can work to get immediately to the victims as far as you know?

Would you look and determine that, please, for me, as far as you know?

Mr. SMITH. Well, under the Stafford Act, under a declared disaster, yes, we get it directly to the victims under a Presidential declared disaster.

Ms. JACKSON LEE. All right. So you are saying—you are constrained by the Stafford Act, you are saying, when there is a declaration of disaster? That is what I am asking.

Do you have a way of going around that?

Mr. SMITH. During the disaster, under the declaration, we can provide assistance to any citizens that are affected by disaster.

Ms. JACKSON LEE. As a disaster is ongoing?

Mr. SMITH. Yes, ma'am.

But we are talking about recovery, these donated items now. How do we get, in a long-time recovery period, how do we then do that?

Ms. JACKSON LEE. So there is a timing question of how long we have the declaration of disaster and when we start recovery.

Mr. Castillo, is that the same answer you would give?

Mr. CASTILLO. Well, ma'am, from my perspective, in disaster assistance, we do work with the States. I believe what our approach to help facilitate them, improving, when needed, their distribution

and their tracking and receipt and request of needed goods, I believe that is a positive step that has been undertaken since Katrina.

Ms. JACKSON LEE. But you don't know right now whether you have any spoiled goods? You don't have an accounting of spoiled, soiled goods or good goods?

Mr. SMITH. I have that.

No, we don't have any spoiled goods in my inventory.

Ms. JACKSON LEE. You know that for a fact.

Mr. SMITH. Yes, ma'am, I know that for a fact.

Ms. JACKSON LEE. Let me just thank the Chairwoman and certainly these witnesses; and, Mr. Chairman, your courtesies of me being on this committee.

I think we said it over and over again that there needs to be a revisiting of this question of aid, declaration of disaster going through the recovery period. I think there are spoiled goods. I respect the gentleman.

I think there are people that did not get aid. I respect the comments of the gentleman.

I do think that America can do better. This is clearly not acceptable on behalf of the American people.

I want to thank both of you, and I yield back.

Mr. CUELLAR. Thank you. I think you bring some great questions and some insight. We thank you for the work that you have done, Ms. Jackson Lee.

At this time I recognize Senator Landrieu.

Senator LANDRIEU. I just have one follow-up question.

But before the Congresswoman leaves, I just wanted to recall again—and I can appreciate her comments about sometimes our States have not acted with the dispatch necessary to reach communities, individuals, neighborhoods, communities on the ground; I think our States are getting better at that.

But I just want, for the record, that our State, Louisiana, actually requested these household goods in February before they were designated as surplus in exactly an attempt to supplement aid to families transitioning out of trailers.

So our State had acted; and the question to me is, why didn't anyone respond to this letter?

So we are going to submit this for the record. Hopefully, they will tell us. But I can appreciate your comment.

Ms. JACKSON LEE. If the gentlelady would yield, let me say that my comments were global. I thank you for having that letter placed on the record.

I do think we should find a way to complement the States, to help the States, and to give FEMA the opportunity to go straight to the victim if necessary in complement with a State and with a State's request.

I thank the gentlelady. I yield back.

Senator LANDRIEU. Well, I appreciate that.

My last question: Mr. Castillo, I was very interested in not just what you said, but how you said—and I want to paraphrase. You said something like: Sometimes, or many, many times, I think you said, unsolicited donations can be more of a problem than a benefit. I think I understand what you are saying.

But my question is, what have you done since you have been in your office to lessen the problems associated with unsolicited items; and how do you intend to coordinate that in the future?

In other words, a disaster happens. It is terrible. There is a natural outpouring of support on behalf of the United States and the world. So just give us a minute of what your thoughts are.

Are you going to issue a dictate that says, don't send anything; or are you going to say, if you send something, send X, Y and Z? What are some of your ideas about that?

Mr. CASTILLO. Well, first of all, it is always recommended if people want to help that they provide cash donations whenever possible. This way, cash donations to established organizations that do this work all the time know what is needed, how it is best packaged, shipped and distributed.

Second, although we would never say, "Don't send", I think if it is focused on the need, and that is, one—as Aidmatrix has been established, and already we have 23 States and one large city that is part of this network. I think that is a way forward to ensure that, one, when the State identifies a need—and we will help them with that in this partnership, once they have identified the need—then, as that is transmitted and people want to know what to give, if they are told exactly what is needed, then it ties or it brings together the donor with a recipient.

I think those two things are key in moving forward.

Senator LANDRIEU. I would not disagree that sometimes cash is better to receive. But I hope that this Government is not moving toward throwing our hands up, because we can't seem to manage donated items well, to just assume that we don't want donated items because we can't seem to manage them well in a disaster.

The second thing I will note—I am not sure the Chairman is aware of this—but in our situation when the city of New Orleans was virtually destroyed, 80 percent of it, so were—most of the nonprofit groups that operated went out of business. Their executive directors left because they lost their houses; their volunteers were in Houston; there was no more nonprofit community, at least for a while.

The Federal Government has no process right now to lend them money. It is actually prohibited. So if you are going to solicit cash from outside sources, it is going to be interesting to me who you give it to. Because in a catastrophe, one of the things we have to do is reestablish as quickly as possible sort of the nonprofit infrastructure so that they can help the community respond.

It is just a thought. I don't want to pursue it. But because the last thing we need is for cash to be solicited and given—let me finish—given to strangers who know nothing about the communities as we attempt to rebuild them the way the people that live there actually would like to see them rebuilt. So we can give a little thought to that.

Mr. CASTILLO. If I can just clarify.

Mr. CUELLAR. Before you respond, Mr. Castillo, I am looking at the time up here, we have about—less than 4 minutes to head back. At this time, I am going to go ahead and give the gavel over to the Senator to take over, and we are going to go out and vote.

Again, I would ask—I have seen this with other, and I am going to start making this my policy now—that instead of the Government officials just walking out, I would ask you to just stay here and listen a little bit to the other folks; and that way we can all learn.

So we are going to be stepping out. We will leave this in the hands of the Senator. We will try to be back as soon as we finish our six votes.

I want to thank the witnesses—Mr. Smith, Mr. Castillo and Mr. Brasseux. Of course the other witnesses are here also. Thank you.

Senator LANDRIEU [presiding]. Thank you. We will conclude this panel and ask the other panel to step forward please. Thank you all very much for your testimony, and we will follow up.

If the panel would take their seats, I would like to begin the second panel, please. Our witnesses have already been introduced.

So at this time I would like to start with Mr. Paul Rainwater, and ask each of the panelists to summarize their remarks in the 5 minutes allocated, and then we will open it up for questions.

Mr. Rainwater.

**STATEMENT OF PAUL RAINWATER, EXECUTIVE DIRECTOR,
LOUISIANA RECOVERY AUTHORITY**

Mr. RAINWATER. Thank you, Madam Chair. It is good to see you today. Thank you for everything you are doing in Louisiana.

In January, 2008, Governor Bobby Jindal appointed me to serve as his chief of all recovery matters, effectively giving me authority and oversight for more than \$20 billion worth of recovery programs in the State with responsibilities ranging from ensuring that local governments can rebuild lost infrastructure to addressing our housing crisis head on.

One of Governor Jindal's first actions was to name me as the authorized representative to the Federal Emergency Management Agency for all issues relating to Hurricanes Katrina and Rita, a role previously held by the head of the Governor's Office of Homeland Security Emergency Preparedness. By giving me this authority, he also designated one clear contact for all recovery issues so there would be no confusion with local, State and Federal officials as to who was in charge.

I have direct control over each of our programs with the ability to make changes as necessary, and have the full support of the Governor in doing so.

Louisiana has worked diligently to improve its relationship with FEMA. At the beginning of the Jindal administration, we worked to reset our relationship with FEMA senior management. The miscommunication we are speaking of today is unfortunate, but we do not seek to cast fault on Jim Stark or Harvey Johnson from FEMA. I feel as though they are committed to helping our State recover from those catastrophes, but we have got to find a way to cut through the red tape.

Today's discussion has larger implications on the need for clear communications in response to and recovery from disasters and is relevant not only in Louisiana and Mississippi, but all across the Nation.

To speak to the matter that FEMA surplused supplies, I want to make it crystal clear, I never received any notice, formal or otherwise, of these supplies that sat in a warehouse in Texas for 2 years. Further, we have not been able to locate any notice from FEMA to the Governor's authorized representative under the previous administration. Had I known about these supplies, I would have moved quickly to put them to good use.

There should be no doubt in anyone's mind about the unmet needs in Louisiana. At the time, hundreds of people were living in a homeless camp under the interstate in New Orleans and thousands of people were living in FEMA trailers. A simple look outside would have shown immense struggling and poverty in hurricane-affected areas across our State.

In fact, less than 1 month into my office at the Louisiana Recovery Authority, we requested in writing to FEMA's Transitional Recovery Office, "household establishment funds for 4,000 households."

"In addition to case management assistance, many trailer residents require a jump start in order to transition to a new and sustainable housing. The working families who lost everything they owned during the storms will be postponed to sustain their housing situation with a little assistance at the beginning of the process." That ended the quote in the letter.

It is clear that this letter did not make it into the hands of those at FEMA who had knowledge of the now-surplused supplies, just as the Federal notice of the surplused property did not come to those whose sole task was to work daily to move our recovery forward, like myself.

There is plenty of blame to share in the situation. It is only through working together as partners that Federal and State agencies can serve our people to our fullest potential.

The issue of the lost supplies is just the latest example of how regular disaster response and recovery protocols just do not fit as we attempt to rebuild after the catastrophic events such as Hurricane Katrina and Rita. State and Federal officials need recovery protocols with intuition and flexibility.

My staff and I speak to FEMA staffers both locally at headquarters multiple times each day. That there would be a lack of coordination about these supplies after these daily conversations is hard to understand.

What is troubling to me is that the State would have never known about these supplies if CNN had not reported on the issue. It is unfortunate it took a national media attention to alert us to a gap in our State response.

It has been reported that Louisiana turned down these supplies because we said it did not have these kinds of needs. For the purpose of clarification, I have provided today e-mails that served as a notice from the General Services Administration to the Louisiana Federal Property Assistance Agency, which is a small State agency of only nine employees that helps local government entities and nonprofits access the myriad of supply Federal agencies mark as surplus.

This notice was hardly unique. None of the e-mails ever notified the State that these supplies were meant for Katrina and Rita victims, nor do they offer supplies to Louisiana.

What the Louisiana Federal Property Assistance Agency is accused of turning down was not actual goods, it was the chance to go to Texas for a 2-day screening of goods where we would have stood after Federal agencies had picked their supplies with 16 other agencies to sift through what was left and to have the supplies divided among the States.

This was hardly a guarantee of aid. Nevertheless, the State was notified, however bureaucratically, that household supplies were available. Our own lack of coordination between State agencies caused us to miss out on these goods that we need to serve our citizens.

Make no mistake, Louisiana should not have turned down the chance to bring these supplies back to the State. It is regrettable that we were not fully synced in State government at the time and that all the necessary recovery level organizations didn't know that the small agency that was dealing with these surplus goods could be the recipient of items intended to help hurricane victims in New Orleans and across south Louisiana.

But we have begun remedying that situation. The day that the news broke and the unfortunate communication breakdown was reported by CNN, we began to coordinate our agencies. After it was made public that the supplies intended for Katrina and Rita victims had been surplus and given to other States, Governor Jindal tasked me with leading our efforts to locate supplies for non-profits. Louisiana made a public request that States and organizations return any of these goods that were intended to help disaster victims in Louisiana, but were marked as surplus and remained unused.

As it stands now, Texas, Arkansas and the United States Postal Service have returned surplus supplies to Louisiana. We thank them for their generosity and especially thank the Postal Service for transporting these supplies to Louisiana at no cost to us.

We have been fortunate to use funds from a private foundation, the Louisiana Disaster Recovery Foundation, to help cover some of the shipping costs we have incurred thus far with Acadiana Outreach covering its own freight payments, costs that the State would not have shouldered had the supplies made it to us under the typical FEMA protocols. We ask any State agencies that have not used their surplus goods to consider sending them to us in Louisiana. I can attest to the fact that we will put them to good use.

Working together with you, Senator Landrieu, and the Louisiana Federal Property Assistance Agency, we have moved quickly to return the supplies to those who need it. In fact, we ramped up so quickly that it took only a week from the date that the first CNN report ran to get the first round of supplies delivered to Unity of Greater New Orleans, a nonprofit that deserves much credit for its heroic efforts to eradicate homelessness in the city.

Senator LANDRIEU. Can you try to wrap up, please?

Mr. RAINWATER. Yes, ma'am, I sure will.

In conclusion, we seek not to point fingers, but to help people improve their lives and living conditions. This discussion is impor-

tant, not only to those of us in Louisiana and Mississippi, but also the leaders in the Midwest who are struggling to recover from devastating flooding. It will mean something to leaders in the next States to be affected by disasters. Thank you.

Senator LANDRIEU. Thank you, Mr. Rainwater.

[The statement of Mr. Rainwater follows:]

PREPARED STATEMENT OF PAUL RAINWATER

JULY 31, 2008

Good morning Madam Chair, Mister Chairman and Members of the committee. I am Paul Rainwater, the Executive Director of the Louisiana Recovery Authority and the leader of the Office of Community Development's disaster recovery programs in the State of Louisiana. In January 2008, Governor Bobby Jindal appointed me to serve as his chief of all recovery matters, effectively giving me authority and oversight for more than \$20 billion worth of recovery programs in the State with responsibilities ranging from ensuring that local governments can rebuild lost infrastructure to addressing our housing crisis head on.

One of Governor Jindal's first actions was to name me as his authorized representative to the Federal Emergency Management Agency (FEMA) for all issues relating to Hurricanes Katrina and Rita, a role previously held by the head of the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP). In doing this, Governor Jindal acknowledged the challenges we still face in Louisiana. On one hand we are still recovering from Hurricane Katrina, the worst natural disaster in American history, which was exacerbated by the failure of the Federal levee system and further worsened by Hurricane Rita 3 weeks later. On the other, we must aggressively prepare for future storms and disasters.

By giving me this authority, he also designated one clear contact for all recovery issues so there would be no confusion with local, State and Federal officials as to who was in charge. Whereas the previous administration delegated policy and planning issues to the Louisiana Recovery Authority and gave oversight and implementation of other programs to various State agencies including GOHSEP, I now have direct control over each of our programs with the ability to make changes as necessary and have the full support of the Governor in doing so.

Louisiana has worked diligently to improve its relationship with FEMA. At the beginning of the Jindal administration we worked to "reset" our relationship with FEMA. The miscommunication we are speaking of today as unfortunate, but we do not seek to cast blame on Jim Stark and Harvey Johnson from FEMA. I know that they are committed to helping our State recover from this catastrophe. Today's discussion has larger implications on the need for clear communication during response to and recovery from disasters and is relevant not only in Louisiana and Mississippi, but all across our Nation.

To speak to the matter of the FEMA surplus supplies being discussed today, I want to make it crystal clear—I never received any notice, formal or otherwise, of these supplies that sat in a warehouse in Texas for 2 years. Nor did my predecessor at the LRA. Further, we have not been able to locate any notice from FEMA to the Governor's Authorized Representative under the previous administration.

Had I known about these supplies, I would have moved to quickly put them to good use. I reject the notion that it is not clear that we had unmet needs in Louisiana—at the time hundreds of people were living in an homeless camp under the interstate in New Orleans and thousands of people were living in FEMA trailers. A simple look outside would have shown immense struggling and poverty in hurricane-affected areas across our State.

In fact, less than a month into my service at the LRA, we requested, in writing to FEMA's Transitional Recovery Office, Household Establishment Funds (HEF), stating, "In addition to case management assistance, many trailer residents require a jumpstart in order to transition into new and sustainable housing. The working residents who lost everything they owned during the storms will be positioned to sustain their housing situation with a little assistance at the beginning of the process." A copy of this letter is attached to my testimony. It is clear that this letter did not make it into the hands of those at FEMA who had knowledge of the now-surplus supplies, just as the Federal notice of the surplus property did not come to those of us whose sole task is to work daily to move our recovery forward. There is plenty of blame to share in this situation and it is only through working together as partners that Federal and State agencies can serve our people to our fullest potential.

This issue of the “lost” supplies is just the latest example of how regular disaster response and recovery protocols just do not fit in Louisiana. As we rebuild after catastrophes like Hurricanes Katrina and Rita, the State needs recovery protocols with intuition and flexibility. My staff and I speak to FEMA staffers, both locally and at headquarters, multiple times each day. That there would be a lack of coordination about these supplies after these daily conversations and meetings is almost unfathomable. Our staff has committed to working with FEMA through sometimes difficult discussions and negotiations about our needs, both in repairing our infrastructure and in restoring our citizens’ lives.

What is most troubling to me is that the State would have never known about these supplies if CNN had not reported on the issue. These supplies would be gone and we would have never been notified by FEMA that tens of thousands of household goods that we desperately need are no longer available for our use. It is unfortunate that it took national media attention to alert us to a gap in our State response.

It has been reported that Louisiana turned down these supplies because we said we did not have these kinds of needs. For the purposes of clarification, I have attached to this testimony e-mails that served as notice from the General Services Administration (GSA) to the Louisiana Federal Property Assistance Agency, which is a small State agency of only nine employees that helps Government entities and nonprofits access the myriad of supplies Federal agencies mark as surplus. This notice was hardly unique, as the agency reports it receives around 20 each year.

None of these e-mails ever notifies the State that these supplies were meant for Katrina and Rita victims. Nor do they offer supplies to Louisiana. What the Louisiana Federal Property Assistance Agency is accused of turning down was not actual goods. It was the chance to go to Texas for a 2-day “screening” of goods, where we would have stood, after Federal agencies had picked their supplies on the second day with 16 other States to sift through what was left and then have the supplies divided among the States. This was hardly a guarantee of aid.

Nevertheless, the State was notified that household supplies were available and our own lack of coordination between State agencies caused us to miss out on goods that we need to serve our citizens. Make no mistake, Louisiana should not have turned down the chance to bring these supplies back to the State.

It is regrettable that we were not fully synced in State government in that we at the recovery level didn’t know that this small agency that dealt in surplus goods could be the recipients of items intended for hurricane victims or that it had access to such household goods.

We began remedying that situation the day the news of this unfortunate communication breakdown was reported on CNN. After it was made public that the supplies intended for Katrina and Rita victims had been surplused and given to other States, Governor Jindal tasked me with leading our efforts to locate supplies for nonprofits.

The State of Louisiana made a public request that States and organizations return to Louisiana any of these goods that were intended to help disaster victims in Louisiana but were marked as surplus and remain unused.

As it stands now, Texas and Arkansas and the United States Postal Service have returned surplus supplies to Louisiana. We thank them for their generosity and we especially thank the Postal Service for transporting the supplies to Louisiana at no cost to us. We have been fortunate to use funds from the private Louisiana Disaster Recovery Foundation to help cover some of the shipping costs we’ve incurred thus far with Acadiana Outreach covering its own freight payments—costs that the State would not have shouldered had the supplies made it to us under typical FEMA protocols. And we ask any States or agencies that have not used their surplus goods to consider sending them to us in Louisiana. I can attest to the fact that we will put them to good use.

Working together with the Division of Administration, United States Senator Mary Landrieu’s office and the Louisiana Federal Property Assistance Agency, we moved to quickly return the supplies to those who need them. In fact, we ramped up so quickly that it took us only a week from the date of the first CNN report to get the first round of supplies delivered to UNITY of Greater New Orleans, a nonprofit that deserves much credit for its heroic efforts to eradicate homelessness in the city. UNITY did not even have time to recruit volunteers to unload the three truckloads of goods, so volunteers from my staff and Senator Landrieu’s staff did the heavy lifting. In addition, we recently delivered a truckload of supplies to the Acadiana Outreach Center, which is serving the often forgotten victims of Hurricane Rita in Southwest Louisiana.

Moving forward, we made it clear to everyone involved that I am to be the point of contact for FEMA when supplies for Katrina and Rita victims are set aside for

our State. This should have been the case from the start, as FEMA should have called the Governor's Authorized Representative about the supplies. I am confident that if our local contacts at FEMA in the Transitional Recovery Office knew about these goods, they would have brought it to my attention, especially since they have deep knowledge of the situation on the ground.

The State also launched a new protocol for handling such FEMA supplies, which consists of the following:

- *Oversight.*—The LRA will have oversight of ensuring that Federal supplies that are either in FEMA's possession today or were given to the General Services Administration (GSA) for excess purposes meant for victims of Katrina and Rita are dispersed to agencies and nonprofit organizations assisting these people. The LRA will be the lead agency in working with GSA or FEMA when property becomes available that could assist disaster victims with their recovery.
- *Coordination.*—The LRA selected a nonprofit organization to reach out to groups about how to access surplus supplies.
- *Training.*—To ensure that nonprofit organizations and volunteer agencies working with hurricane victims can access Federal supplies in the future, the LRA worked with Federal and State agencies to coordinate education of nonprofits about how to access these supplies in the future.

Working with the Louisiana Association of Nonprofits (LANO), the State distributed fact sheets about accessing surplus property to Louisiana nonprofits. So far we've delivered supplies to two groups—UNITY of Greater New Orleans and the Acadiana Outreach Center. There is an application process for groups to receive surplus supplies through the Louisiana Federal Property Assistance Agency so that the State can ensure that qualified groups that need the supplies get them and also so the LFPAA can track their needs. Currently, the State is working with ten more nonprofits to go through this application process. These applications are being expedited and the Agency's staff has started to conduct site reviews while final documentation is collected from the nonprofits.

Further, my agency has been working with FEMA on an application for case management funds to assist residents in their transition from temporary FEMA housing to more permanent living situations. We will be requiring that all nonprofits working on our case management program are registered with this State surplus agency so they can request the supplies that they need and put them directly in the hands of our families who are working so hard to recover from these storms.

We recognize that there is plenty of blame to go around in this situation and we seek not to point fingers, but to help people improve their lives and living conditions. This discussion is important not only to those of us in Louisiana and Mississippi, but also to the leaders in the Midwest who are struggling to recover from devastating flooding. And it will mean something to the leaders in the next States to be affected by disasters.

Simply put, we cannot cast blame without solutions. We must fix our flawed communication between States and the Federal Government in times of disaster so that States never again lose the opportunity to use critical supplies simply because they were not properly notified of their existence. And I would encourage leaders in other States to look at their internal protocols for dealing with such supplies. As we have learned over and over again in Louisiana, the time to coordinate is before a disaster strikes, not as you struggle to recover in the years after a catastrophe.

I would be remiss if I did not take the opportunity to remind everyone in the chamber today that while we are sitting here around 12,000 Louisiana residents are living in FEMA trailers. More than 16,000 people are participating in the United States Department of Housing and Urban Development's (HUD) Disaster Housing Assistance Program (DHAP) in Louisiana. And our homeless population stands at a staggering 12,000 people, which is more that double the pre-storm count of homeless individuals.

We are working to resolve the housing crisis in our State that stands to get worse as we move closer to the March 2009 end of the Disaster Housing Assistance Program, at which time we worry that many families are at risk for becoming homeless. Louisiana is addressing this crisis on several fronts, including:

- Applying for case management funds from FEMA;
- Using \$73 million recently awarded by Congress for Permanent Supportive Housing vouchers;
- Developing a long-term comprehensive housing strategy so that we know how many units will be coming on-line through March 2009;
- Prioritizing homeowners living in trailers in the State's Road Home housing program so that they can more quickly get their grants. In general, any improvement to the Road Home program improves the situation on the ground—as homeowners move home, they free up rental units;

- Encouraging landlords to join HUD's DHAP program to help provide more rental units;
- Allocating millions in Community Development Block Grant (CDBG) funds to Homeless Supports and Services.

We owe it to these families in transition and to the American taxpayers to work together to use every resource at our disposal to combat homelessness and create safe, sustainable housing situations for our people.

Senator LANDRIEU. Mr. Davidson.

Could you all scoot a little bit and give him a little bit more room there?

There we go. Thank you.

STATEMENT OF OLIVER R. DAVIDSON, DONATIONS MANAGEMENT COMMITTEE, NATIONAL VOLUNTARY ORGANIZATIONS ACTIVE IN DISASTER

Mr. DAVIDSON. Thank you very much. Good afternoon Madam Chairwoman.

I am Oliver Davidson; I work with the Humane Society in the United States. You have some information about me in my statement, so I am going to summarize in three different points, and talk a little bit about the National Voluntary Organizations Active in Disaster of which I have been a member and a committee member on the Donation Management Committee since 1989.

So we have had a lot of experience with this subject, and I would like to talk a little bit about the voluntary agency piece of it.

National VOAD has 49 member organizations. These are all the names that you are familiar with, starting with Red Cross and going down to the Adventists and the other relief groups that always respond on a national level.

There are 55 State VOADs and there are hundreds of local VOADs that are all working with Government to try to improve victims after the disaster, but more importantly beforehand. I myself go to four VOAD meetings regularly and also DC Citizen Corps.

So we try to keep the national level with a level of reality, and we work very closely with FEMA. Eighty-five percent of the members are actually faith-based, with millions of constituents across the country. So we start with that part of it. Then I would like to go to some of the lessons, because we have worked on a lot of disasters.

When I left my Federal career, I had worked on 320 international disasters, and I have worked on about 100 more since then, including working on, just recently, the California fires and Midwest floods. We should say that the Donation Management Committee of NVOAD organizes a conference call on relief and coordinating donated goods and services almost every other day when the disasters occur. So there is very close coordination.

I have to say thank you to FEMA; they are the ones who pay for the call. So they help us organize. They are on the calls with us. They try to, shall we say, make sure these kind of glitches that happen, that we are talking about today, don't happen.

I think that we need to understand that offers are usually made to nongovernment organizations, they are not made to Government. So when we complain about Government not managing unso-

licited and donated goods, we may be talking to the wrong end of the animal.

Obviously, they have a role. But the nongovernmental organizations, and now working with Aidmatrix, are the ones the offers come to. Most people don't want to give a donation to Government.

So the offer—and many offers are not appropriate. As Mr. Castillo said, we need to make sure we have good offers of things that can help. Sometimes they are useful to help locally as opposed to halfway around the country where we have already had to pay transportation to get there. Of course, with the high cost of transportation, it is not cost-effective to take a donation from New York and send it to California. It may be better to just send the cash or send the money that would have been used to pay for the gasoline.

Government transportation and storage is very useful if we can reduce the cost to taxpayers. In other words, a good donation, let the Government pay for the transportation and the storage, keeping records to keep it separate in our multiagency warehouses, which are frequently paid for by FEMA. Keep it separate, but Government support. That is very useful if it is a good donation.

Thank you very much for the hearing because I think this is a subject that has been long misunderstood. I remember sitting in front of Mr. Rangel one day when we were talking about donations for the Caribbean. This is a subject that is not too complex, but it is not just so easy that it can be glossed over and say: Oh, well, FEMA will fix it. It is not a FEMA-fix problem, it is a cooperative effort to fix it.

So the last part of my statement, which I will submit along with some other material for the record, has some ideas about what FEMA can do to better support the voluntary agency effort. Because if we look at the international side, the Agency for International Development has provided hundreds of thousands of dollars to interaction to do similar things which FEMA could have provided to the nongovernmental NVOAD over the last numbers of years. So if we look at that model—maybe we should encourage FEMA to look at that model, and do a little more support for national-level issues that will help every voluntary organization as well as helping the States.

The one thing that has come up, just from listening here, is, most voluntary agencies have no access to the GSA warehouses. Well, let's look at how Government or nongovernmental disaster organizations working with the States can have access to those GSA supplies, whether they are purchased or whether they are gotten from some Government excess, whatever. I think that would be a very useful innovation. I think some agencies actually do have access, but not too many.

Senator LANDRIEU. Could you wrap up, please?

Mr. DAVIDSON. Yes. I appreciate the hearing and would be happy to answer questions. Thank you.

[The statement of Mr. Davidson follows:]

PREPARED STATEMENT OF OLIVER R. DAVIDSON

JULY 24, 2008

Good afternoon, Chairman Thompson, Chairman Cuellar, Congressman Dent and Chairwoman Landrieu and Members of the subcommittees.

As a Senior Advisor for Emergency Services for The Humane Society of the United States, I work with Government agencies, national nonprofit organizations, and other State and local partners to strengthen the critical work in communities to protect animals and people with animals from the impact of disaster (*www.HumaneSociety.org*). I served 20 years in the Office of U.S. Foreign Disaster Assistance, USAID, and I am a disaster advisor to the Business Civic Leadership Center, U.S. Chamber of Commerce.

I am here today as a member since 1989 of the Donations Management Committee of National Voluntary Organizations Active in Disaster, or National VOAD (*www.NVOAD.org*). National VOAD is a national, nonprofit, nonpartisan forum where member organizations share knowledge and resources throughout the disaster cycle—preparation, response, and recovery—to help disaster survivors and their communities. National VOAD coordinates planning efforts by voluntary organizations responding to disaster. Member organizations provide more effective and less duplicative service by planning and training together before disasters strike. Once disasters occur, National VOAD, or an affiliated State or U.S. Territory VOAD, encourages members and other voluntary agencies to coordinate on-site. This cooperative effort has proven to be the most effective way for a wide variety of voluntary organizations and Government to work together in a crisis.

The Donations Management Committee of National VOAD brings voluntary organizations, State and Federal Government, and private partners together to plan for and manage unsolicited goods and services. Managing the potentially overwhelming influx of unsolicited donated goods from the public can maximize these potential resources, because when uncoordinated, they have caused a disaster within a disaster.

FEMA has worked closely with its partners since Hurricane Andrew (1992) and has increased this effort as a result of the Hurricane Katrina experience. Recent changes include updates to the National Response Framework which includes National VOAD and its member organizations in the plans; the creation of a technology tool for the organization of offers of goods, cash, and volunteer services; and the establishment of a national public-private coordination team to support the policies and procedures for more effective unaffiliated volunteer and unsolicited donations management.

Although today's hearing is focused on how FEMA received and managed the donations made in 2005 to help those in the Gulf Coast, National VOAD members want to highlight and summarize the donation management lessons from numerous events.

DONATION MANAGEMENT LESSONS

- Every "offer" is not an appropriate disaster donation—relief is to provide the right material when needed most.
- Donations are not free—expenses include transport, storage and management.
- Government transportation and storage can be helpful to ensure the use of donated goods and reduce the need for Government purchases.
- Experienced State government donation coordinators are one important key to success.
- A massive influx of goods distributed free can have a negative impact on a local economy, especially small businesses.
- After Action Reviews, although at times painful, can yield valuable lessons, if implemented.
- Congressional referrals of offers can be helpful; however, congressional influence, not supported by sound technical evaluation, can be counterproductive and costly.

Significant progress has been made to improve policy and to build a more streamlined process for donation management by FEMA in cooperation with States and with nonprofit partners. However, more effort and support is required to turn appropriate donations into disaster relief and recovery resources.

FEMA could increase support for National VOAD to:

- Work with and support voluntary agencies, State and local government and the business community (e.g. National VOAD, Chamber of Commerce, and trade and professional associations) in the development of standards and common operating procedures.

- Increase Donation Management Training opportunities for voluntary agency and State government staff.
- Include donation and volunteer management issues in Government disaster exercises.
- Conduct public education campaigns and conferences to promote “appropriate donation methods” (See The Center for International Disaster Information, *www.CIDI.org*, supported by USAID).
- Provide funding for capacity building so that National VOAD and its Donations Management Committee can independently develop the systems needed by its members to effectively get these well-intentioned goods to the appropriate organization and ultimately to the community in need.

Senator LANDRIEU. Thank you very much.
Mr. Stallworth.

**STATEMENT OF BILL STALLWORTH, EXECUTIVE DIRECTOR,
EAST BILOXI COORDINATION AND RELIEF CENTER**

Mr. STALLWORTH. Thank you, Madam Chairperson. I really appreciate the opportunity, and I want to commend you on your diligent fight to try to make sure that we aren't forgotten along the Gulf Coast.

I am a City Councilman in Biloxi, and I recently, at Hurricane Katrina, started a nonprofit organization. That nonprofit organization started with myself and two volunteers with a small grant from an international organization called OXFAM. It since has grown into 12 full-time persons with a full design studio and a true one-stop shop that we are able to take the residents that were affected by Katrina from the time that they walk in the door to the time they turn the key to the door. We are just very thankful for any help that we can get.

But I want to apologize, because part of my comments I want to submit for the record, but I am going to take this 5 minutes to really just say this—let me apologize up front if I offend anyone—but I am sick and tired of being sick and tired.

I am really sick of the excuses when we look at how this whole thing has been handled, including the eight—what is debated, \$85 million or \$18 million—regardless of the fact that those millions could have gone toward those people who are in need.

I don't mean just those folks who are still in the FEMA trailers. I am talking about those folks who were pushed out of the trailers, who were told that they need to get out. I am talking about other people who are not in that system who are still in need of housing and household goods. Those folks could have received the benefit of the moneys and goods that were just wasted.

Second, let us just look at that. Typically what we look at in terms of rebuilding homes in our area for building materials, we are looking at probably about \$50,000; \$50,000 to \$60,000 in building materials, and we can put a family into a permanent house. Imagine what would have happened if we had \$18 million and how many people that we could—at \$85 million that would be close to 1,700 new homes that people could have been in.

But what we had to do to replace that loss is to go to other organizations, like the Red Cross, Salvation Army, take precious dollars that could have been used for building materials to supply these so that families could move in. That is just unconscionable. It is a shame.

You know, I have heard a lot about this donation issue, and in deference to my colleague, I think that when we look at a \$1 billion was refused, somebody needs to be slapped upside the head. I don't see why anyone would turn down money.

The software that FEMA is talking about now, we know nothing about. We have no way to plugging into this. This is the first I am hearing about any software that FEMA has that will allow us to plug in and determine what they may have to be available for supplies.

Our State—God bless our State—but truly there is a major disconnect between what is happening in FEMA, what is happening in State level, and what is happening on the ground. I deal with people every day that is on the ground. I deal with the problems. I look into the faces of those individuals who need to have the help who simply cannot get the help. All I want to do is to try and do whatever we can here to bring home the point to FEMA that there has got to be a better-coordinated effort between themselves and the nonprofits and those grass-root organizations who are on the ground.

So, as a part of that, we need to talk about how to better include nonprofit organizations who are not the Red Cross, who are not the large multinational organizations, but those organizations that are in both Mississippi and Louisiana who are there day-in, day-out working to house people, to get people into some permanent housing.

Currently FEMA is looking to have virtually 6,000—no, I am sorry, 8,000—families who are in their FEMA trailer, on their assistance, moved from there to permanent housing in the three coastal counties of Mississippi. Those three coastal counties basically have about 700 affordable units. Now, how do you fit 8,000 families into 700? The need to be smart about what we use these funds for is paramount.

But this is something that is not going to go away overnight; this needs to continue, and certainly not just in the early stages when there is a disaster declared, but there needs to be thought given to how to move forward into the recovery stage. Those dollars need to be afforded to nonprofit organizations.

Senator, I can't agree with you more. Those organizations who are doing it need to have the help, and there is nobody there to give it.

FEMA typically comes to us and says, well, you can find—they need to have these special kinds of things, go to the long-term recovery committees. We don't have the money, we don't have the resources. We asked for it. Nobody told us that they had it.

So I am going to conclude, and I know I am a little over my time, and as I said, I apologize because I can get very passionate about this. But I am truly sick and tired of being sick and tired.

So I will stop at this point. Thank you.

Senator LANDRIEU. You don't have to apologize to this Chairwoman, thank you, on that subject.

[The statement of Mr. Stallworth follows:]

PREPARED STATEMENT OF BILL STALLWORTH

JULY 31, 2008

Chairman Cueller, Chairman Landrieu, and Members of the subcommittees, I would like to thank you for inviting me to testify before the subcommittees today about this important issue.

I am Councilman Bill Stallworth from Ward Two of Biloxi, Mississippi. Before Hurricane Katrina bombarded the coast, I served as a councilman of East Biloxi for almost 11 years. East Biloxi, situated on the eastern tip of a barrier on the Gulf of Mexico, is comprised of minority and low-income citizens. Prior to Hurricane Katrina's devastation, East Biloxi was home to roughly 10,000 of the city's poorest residents, with an average median income of \$23,527. The population is approximately 40 percent African American, 40 percent white, 15 percent Vietnamese, and 5 percent Latino.

When I saw that not enough was being done for my community after Hurricane Katrina, I started the East Biloxi Coordination and Relief Center with a grant from Oxfam America. The Federal Emergency Management Agency (FEMA) took 8 weeks after Katrina to have a presence in East Biloxi, and help was urgently needed. Our organization helped citizens in the East Biloxi neighborhood when no one else would, and continues to do so. At its formation, the organization included only me and a couple of volunteers coordinating relief efforts in the Biloxi area.

Our organization, other small non-government organizations, and church groups were the only relief for the citizens of Biloxi. FEMA and other major organizations were nowhere to be found. Our small group was able to get thousands of homes gutted out quickly, and we started the rebuilding process within a very short winter. What we all accomplished was impressive, but much more could have been done for thousands of other people if FEMA was there from the beginning. Since the storm hit the coast, East Biloxi Coordination and Relief Center has grown and now employs 15 full-time staff members.

Immediately after Hurricane Katrina, volunteers came from every corner of the United States, but eventually volunteers must return to their own homes. Volunteers came and went, and housing projects stalled waiting for the next source of labor. In an atmosphere of chaos and desperation, it was easy for things to drop through the cracks. In times like that, it is crucial for a permanent and large organization, like FEMA, to have a long-term presence in disaster areas during the recovery and rebuilding stages so that important housing projects are not ignored.

Rather than simply managing rotating volunteers, we turned East Biloxi Coordination and Relief Center into an efficient business; we hired staff and we case-managed. East Biloxi Coordination and Relief Center has become one of the only true "one-stop-shops" in the Gulf Coast region. Our clients come into our office to have their case assessed. Then, we put together funding, financing, draw up plans for refurbishing or rebuilding their homes with support from the university design studio, and then we start building. Hundreds of new homes have been built by East Biloxi Coordination and Relief Center and its non-profit partners. We make homes safer and stronger than they ever were before. We pair construction crews and volunteers, and, as our volunteers move in and out, our construction coordinator helps provide consistency for each home. In the last 6 months, we have built 70 homes and we currently have another 70 homes that we are working on. The East Biloxi Coordination and Relief Center business and disaster relief model is very successful, which is why other local Gulf Coast organizations have adopted the model.

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When CNN first broke the story that supplies intended for hurricane victims were instead given to the Mississippi Department of Wildlife, Fisheries, and Parks, prisons, and volunteer fire departments, I was outraged. Cleaning supplies, small appliances, and a variety of other necessary home goods were stored for 2 years, while volunteers and non-profit organizations used precious and limited funds to provide those same items to victims of Hurricane Katrina. Immediately after a catastrophe, the Federal Government has an obligation to deliver aid as quickly as possible to those with the greatest need. The only way to get aid to the people who need it most is for the Federal or State government to reach out to existing local organizations to help facilitate that exchange.

Eighty-five million dollars' worth of home supplies given to unintended parties, as well as the additional \$1 million per year that it cost to store them, could have been used in many important ways. Thousands of people are still homeless along the Gulf Coast, and FEMA wants everyone out of temporary housing programs by March 2009. There are many more people that have already moved into small apart-

ments with aunts, cousins, and friends, to avoid the toxic formaldehyde trailers. Our organization has spent millions of dollars getting people back into homes. Money that we requested for household items from the Red Cross and Salvation Army could have been better spent on making new homes, and taking more families off of the streets.

Instead, the money is gone, the materials are gone, and there are families left without a safe roof over their head because aid money was not properly allocated. In our business, \$85 million in aid could have been used for 1,700 new homes if we spent \$50,000 per house. Rather than buying household goods and then locking it up in a storage closet for 2 years, FEMA should have given the money to local organizations that would have properly used the funds. A bureaucratic mess cost the people of the Gulf Coast \$85 million worth of support.

Non-profits were not made aware of the goods, and it was clear that FEMA ground-workers were not aware of the warehouse either. FEMA agents meet with East Biloxi Coordination and Relief Center each week, and they never mentioned "surplus" aid. The people on the ground need to know where to find supplies, whom to ask for assistance, and how to make their way through the bureaucratic hoops to get things done. Instead of reaching out to us, one of the first things FEMA did in their Gulf Coast recovery was to build walls and put up red tape.

There is a national sentiment that the Gulf Coast region has recovered. People assume that after 3 years, the citizens of Mississippi, Alabama, and Louisiana have landed on their feet. It is obvious that FEMA holds this ignorant belief. FEMA officials clearly do not think that the region is a region in need. Anyone who has spent time in Biloxi or New Orleans should understand that \$85 million worth of cleaning supplies, small appliances, and other household goods needs to be in the hands of the people that lost everything, and not sitting in a warehouse. At East Biloxi Coordination and Relief Center, we are the ones that sit face-to-face with the survivors of Hurricane Katrina and tell them that we will help them rebuild their home, but we do not know where the money to fulfill these promises will come from.

FEMA sought help from the State and cities, but they ignored the people who were on the ground making a difference, like the East Biloxi Coordination and Relief Center. The people that watched the waters wash away their schools, churches, and homes are the most determined to return to their lives as they were before Hurricane Katrina. The heroes of disaster recovery have been local leaders that decided they can not wait around any longer for the Government to start caring about their neighborhood. Those people want to see things "the way they were" more than anyone else, but we can not pretend the Gulf Coast is back to the way it was before the hurricanes hit.

Non-profit organizations and church groups proved themselves to be better at working with local people than the Federal Government in the aftermath of Hurricane Katrina. Not only did FEMA fail to reach out to those in need, it failed to support the few organizations that already had relationships within the local communities. It is crucial that during future disaster recovery, FEMA identify and communicate with local non-profit partners that can assist them with the overwhelming job ahead. Small organizations should know where they can go to help the people of their neighborhood. It is difficult for East Biloxi Coordination and Relief Center because we only have 15 people, but for even smaller groups, it is impossible to get assistance from the State and Federal Governments. Hurricane Katrina was a lesson that the post-disaster chain-of-command is broken; we now have an opportunity to learn from a bad experience and break the cycle of mistrust.

FEMA's response to the hurricanes was embarrassing, but it will be tragic if the Federal Government learns nothing from experience. I come before Congress today to stress the importance of a strong, working relationship between FEMA and local non-profit organizations during a future disaster.

Thank you. I look forward to answering any questions you may have.

Senator LANDRIEU. Ms. Keller.

**STATEMENT OF VALERIE KELLER, CHIEF EXECUTIVE
OFFICER, ACADIANA OUTREACH CENTER**

Ms. KELLER. Well, I think that I can say pretty much, "Ditto," to Mr. Stallworth's comments here and that clarity that comes from common-sense talk that has been so scarce in the last 3 years.

My name is Valerie Keller, Madam Chair, and I do serve as a CEO of the Outreach Center. But additionally, I would like to say I serve as a member of the Louisiana Recovery Authority's Housing

Task Force and as co-chair of the Louisiana Supportive Housing Coalition and the Louisiana Advocacy Coalition for Housing and Homelessness, so I am talking very much in the same perspective as my colleague here, representing about 300 different nonprofit agencies across the State.

We appreciate Congress' continued support and attention to the Gulf Coast recovery, and we are optimistic that what we are looking at here. We will be able to find some real solutions to the ongoing problems. Because it is frustrating that after 3 years we are still facing a problem with people who have needs; and there are resources there, and we just simply cannot make the connection to be able to do it when you have organizations—nonprofit organizations, voluntary organizations—who exist for that purpose to help make that connection.

The Outreach Center, specifically since Katrina, our case managers have provided more than 23,000 services touching the lives of more than 10,000 people since then. I would say that the services and supplies that we have been providing have not typically come from the Government.

There is truly a lack of coordination and integration. It is important to know—I know that we said it is our responsibility to find out what was available, but we look under every rock. That is our role; we collaborate and we coordinate, and we don't operate in a vacuum. It is very surprising to hear that there are supplies out there when that is what we do, is look for resources and look for supplies to help meet that need.

I would say, too, that in the aftermath of the storm, talking about the coordination of unsolicited donations, we coordinated close to 1 million pounds of food and personal care items and medical supplies to about 6,000 impacted homes. But because there wasn't a good system to coordinate those unsolicited goods, we would get things that didn't match the needs; and so it wasn't palletted, it wasn't inventoried. It was a logistical nightmare to sort it, inventory it in hot humid warehouses and try and get it back down to the people who needed it. It was incredibly, incredibly inefficient.

The travesty of that is, as I was sitting here reviewing the inventory list of FEMA goods that Mr. Rainwater provided, it is Appendix 1 in his testimony, and I couldn't help but think back to those weeks and months following the storm, looking at the very items on his list.

Those are the equivalent of gold for us; those are the basic items for human dignity that we would have given anything to have had, Madam Chairwoman—pillows and sheets, trash cans and hand sanitizers, dishes, utensils, shoes and bath towels, especially valuable because they were in bulk quantities, and they were palletized.

Instead, because we didn't have any way of knowing the supplies were available, our agency and others, I will say, pulled meager funds from our pockets to purchase the very supplies that were listed in the FEMA inventory. This diminished money that we were using to help people pay rent, utilities, medical bills, fuel for their cars and bus passes enabling them to get to work.

I will also say this, too—again, echoing my colleague’s comments—that as Chair of the Louisiana Advocacy Coalition, very active in VOAD—helping integrate HUD’s regional database systems was about these databases that can help provide efficiencies, but the very first time I have ever heard of Aidmatrix is here today.

So it seems to me that there are on-going needs. The resources are there. This is the United States of America; we don’t have a scarcity of supplies. It seems to me like we have a lack of effective and efficient system.

Then, when we do put those systems in place we have a terrible, terrible way of communicating it to the people who need it and the boots on the grounds who can deliver it.

I would say this, too: When the story broke on CNN about the long-needed disaster recovery supplies that were collecting dust in warehouses, that there was that sense of frustration that says, we are tired of being tired. Here is just one more example of where things were needed then; and, yes, they are still needed now. But, golly-gee, they sure could have been used 3 years ago.

So we are tremendously grateful to Senator Landrieu and to the Louisiana Recovery Authority for providing the Outreach Center with these supplies, and to Senator Landrieu for her leadership working to secure the \$73 million in permits for housing vouchers.

I will say this: The supplies that we secured on July 14 have generated an incredible amount of calls from families needing these supplies; and the supplies that sat for 3 years in a warehouse will be distributed to families who need it within about 3 weeks.

I will say this, too: If the service providers know that things are available, we will jump through hoops to do whatever it takes to be able to access them. But we have to know what is out there, and we have to have access to the systems to be able to do it.

To your point, Senator Landrieu, we have to have the capacity to be able to meet the need from the nonprofit arena. FEMA we should have known about, as we are not off their radar; since 2005, our case managers have been working with them, with HUD, with State agencies, helping people navigate the very confusing FEMA funding streams and accessing other resources to help people secure permanent housing. So it isn’t like we were off the radar screen.

I would say this, too: That the need is critical and ongoing. Is there a need for more supplies? Is there a need for more services? Yes, there is.

The rents have increased 30 percent since the storm. Affordable housing is not available. A minimum wage worker is working now about 81 hours a week to afford market rate housing in our area. With the March 1 deadline, 2009, coming up with FEMA’s program ending, Louisiana has about 40,000 households that are at risk of homelessness if they lose their rental assistance. We don’t have enough affordable units on-line.

So I know that the scope of our discussion today is about the supplies or the lack of coordination of those supplies—that they existed; we just couldn’t get them to people who needed it. But I would say that as we go forward, as we look to help get people into sustainable housing and to establish self-efficiency, that we should be looking very holistically, not only at how the Federal and the

State and the nonprofit organizations can work together, but how we can look at having the rental vouchers, the case management and the supplies that people need to be able to sustain self-sufficiency.

Thank you for your time.

[The statement of Ms. Keller follows:]

PREPARED STATEMENT OF VALERIE KELLER

JULY 31, 2008

I would like to thank the chairpersons and the distinguished Members of the committees for the opportunity to appear before you. I am Valerie Keller, CEO of Outreach Center, a nonprofit based in south-central Louisiana, and I serve as a member of the Louisiana Recovery Authority's Housing Task Force and as co-chair of the Louisiana Supportive Housing Coalition and of the Louisiana Advocacy Coalition for Housing and Homelessness. We appreciate Congress' continued support and attention to Gulf Coast recovery and your commitment to looking critically at our national systems for response and recovery so that our country is better prepared to aid its citizens in future times of crisis.

Today, I share with you information on the current need for housing and supplies along the Gulf Coast following the devastation of Hurricanes Katrina and Rita almost 3 years ago, in the hopes of informing your analysis of how critically needed supplies were not delivered to those who needed them and your efforts to prevent such unfortunate situations from occurring in future disasters.

This testimony focuses on three main points:

- 1. Our work helping families access housing and the supplies they need for self-sufficiency and our efforts working with FEMA and other Federal/State agencies;
- 2. The ongoing needs on the ground across Louisiana's still-suffering coast and specifically focusing on the oft-overlooked Hurricane Rita-impacted region;
- 3. The impact of the recent CNN story and the Congressional and LRA outreach directing long-needed supplies to help these families still struggling to rebuild and recover.

I will speak to those first two points first—our work providing services and the on-going needs on the ground—to set the stage on why the recovery supplies we're discussing today were and are much-needed.

The Outreach Center is a grassroots nonprofit human services organization with a proven track record of delivering effective services to people in crisis. Founded in 1990 and serving eight (8) parishes, the Center utilizes a comprehensive services model designed to help people climb from rock-bottom to obtain safe housing, meaningful employment, optimal physical and mental health, and a sense of self-respect, hope and dignity. Its broad scope of services encompass a complete continuum of care that includes an extensive housing and case management program, licensed addiction and mental health treatment center, social enterprises, a women's and children's shelter, a day shelter, and a food and supply distribution center. In addition, the Center is now developing mixed-income housing and catalyzing urban revitalization.

The Outreach Center's core competencies lie with the delivery of comprehensive, outcomes-based case management and supportive services to individuals and families. In the wake of Hurricanes Katrina and Rita the Outreach Center established the Transitional Recovery Action Center for Katrina/Rita (TRACK) based on the best practice "housing first" model to help hundreds of displaced families find solutions and access to housing, transportation, employment, and supportive services—rebuilding and empowering one life at a time.

A donation and distribution center for supplies and services was also established and in the aftermath of the storms the Center coordinated the distribution of goods from international relief organizations around the world, businesses, and Government agencies giving more than 800,000 pounds of food, personal care items and medical supplies valued at \$2 million to more than 6,000 evacuees. Displaced families unsure of where or how to begin rebuilding their shattered lives turned to the Outreach Center and got the help they needed.

Since the storms, even when other relief and emergency response efforts faded away, community-based nonprofits have continued to serve the overwhelming needs of their neighbors while scrapping together resources. Our case managers are still working one-on-one with displaced individuals and families to assess their needs and establish an action plan to address each need, including housing, employment,

transportation, mental health, substance abuse, education/job skills training, childcare, legal needs and community connections. We have employed more than 50 evacuees who lost their jobs in the storms to serve other impacted families. Since August 29, 2005 we have provided 23,817 services including case management and assistance accessing housing, employment, transportation, Government benefits to 1,045 households, 2,367 individuals.

Resources are scarce and our agency is currently leveraging local dollars with some funding from the Social Services Block Grant administered through the LA State Department of Social Services (DSS) Homeless Prevention and Rapid Re-housing Grant and the Louisiana Disaster Recovery Foundation Displaced Family—Housing Assistance Fund. These funds will aid approximately 300 displaced families in the Hurricane Rita-impacted parishes and FEMA trailer parks to obtain rental and utility assistance for up to a year. Since 2005 we have been working with FEMA, HUD, State agencies and nonprofits to ensure that services are not duplicated for the same families and that gaps are filled as people exit transitional housing and try to secure permanent housing.

In our work with hurricane evacuees, we have helped to place many clients in permanent housing, often serving individuals that have recently been evicted from their FEMA trailers. Many of our clients have accessed HUD's Katrina Disaster Housing Assistance Program (KDHAP) and Disaster Voucher Program (DVP) rental subsidies, part of which pays a portion of their rent, and incrementally pays less and less, leaving the evacuee to pay more and more. In our experience this program has unfortunately not been a long-term solution for most hurricane-impacted families, as they are still often unable to pay their rent at the increased market rates and thus are unable to maintain permanent housing and self-sufficiency.

Louisiana, like the rest of the Nation, was facing an affordable housing crisis pre-Katrina and Rita; however, an entirely new housing crisis was created when the hurricanes devastated south Louisiana in the fall of 2005, forcing the evacuation of hundreds of thousands of residents. One of the biggest challenges facing evacuees was, and still is, securing safe and affordable housing for their families. While many families have since returned to their hometowns, those unable or unwilling to return to the hurricane-ravaged areas remain in the area and the impact on housing availability has been substantial. South central Louisiana, a region best known nationally for its Cajun food and Zydeco and Cajun music, was the area hardest hit by Hurricane Rita also served as host communities for people resettling after Hurricane Katrina. In this region the rent for one- and two-bedroom units increased 30 percent since the storms and a minimum wage worker now has to work 73 hours per week to afford a one-bedroom and 81 hours per week to be able to afford a two-bedroom apartment for a family.

Although these storms took a tremendous toll on all in their path, low- to moderate-income individuals were disproportionately affected, with the storms severely compounding problems that already existed. Current needs assessments reveal the top issue for hurricane-impacted families is still primarily a lack of affordable housing. As the Outreach Center continues to see a large number of families from the Hurricane Rita-impacted areas, it is obvious that they have many outstanding basic needs, including food, shelter, clothing, health care and transportation. They need help accessing affordable housing, rental and security deposit assistance, building materials, transportation, food, employment, legal counsel, household items, furniture, infant supplies, cleaning supplies, school supplies and school uniforms.

In my capacity as co-chair of the Louisiana Supportive Housing Coalition representing more than 300 organizations across the State, I have had the honor of working closely with Senator Landrieu, and with the support of our delegation and Louisiana Governor Bobby Jindal, to secure \$73 million for 3,000 supportive housing vouchers—2,000 of which will be used to house disabled and homeless people in the New Orleans region, while 1,000 of the vouchers to help people obtain housing in the other hurricane-impacted areas.

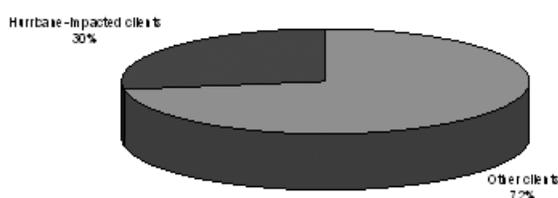
Three years later the needs are very much on-going but the resources to meet those needs are scarce and people are understandably tired and frustrated. So when the story broke on CNN about long-needed disaster recovery supplies being given away for non-disaster purposes, it was quite disturbing to many of the impacted families and agencies like ours who are working with them every day to try and make ends meet. Many displaced families have nothing with which to furnish and keep up their homes and they could have used these supplies long ago. Families we have helped move out of FEMA trailers were not allowed to remove their furnishings and so they are in need of complete bed, living and dining room sets, as well as dishes, pots, pans, cleaning and infant supplies, school supplies, and school uniforms. Any supplies we receive can and will be put to good use as we help these families re-establish housing.

We are tremendously grateful to Senator Landrieu and the Louisiana Recovery Authority for providing the supplies from FEMA that went to Arkansas. We were able to secure these supplies just 2 weeks ago and since then the calls for assistance have been pouring in from families needing supplies and other agencies looking to help people they are serving. We've talked to many of our nonprofit partners who are equally as disappointed that these supplies sat collecting dust in warehouses. If nonprofit service providers had even known it was available—if FEMA had simply communicated the existence of these critically needed resources—we would have jumped through whatever hoops necessary to ask for it and get it to people we're serving who need them so desperately.

With rental assistance to help bridge the affordable housing gap and with household supplies providing a stable home life, individuals and families are better prepared to pursue employment, education for their children, maintain their health, and be able to afford transportation and childcare, thereby ensuring self-sufficiency and long-term sustainability.

Chairpersons, Members of the committee, the bottom line is that 3 years after these catastrophes, people are still in need of supplies they could have benefited by receiving years ago. The Outreach Center and community-based organizations stand ready and willing to partner with Government agencies to deliver vitally needed services and supplies. We are committed to using our full capacity to help families recover, to stimulate economic development, and to restore hope to communities. Thank you.

Percentage Increase in Clients Served Post-Hurricanes: 30% increase
(4078 total clients since August 29, 2005)



Katrina-impacted families and Rita-impacted families served



■ Katrina ■ Rita

Senator LANDRIEU. Thank you all very much. I really appreciate the conciseness of your statement. I think you all had very interesting points.

I would like, Mr. Stallworth, to direct the first question, if I could, to you. You testified, generally, that you were unaware of these items as well.

Have you subsequently contacted the State of Mississippi or been contacted by them, by anyone from the State since the story broke about any of the items that they have received as surplus for your needs or any other nonprofits that you know?

Mr. STALLWORTH. Madam Chairperson, not a soul. We just simply have not had that contact. We are still looking for some help. Now, we have contacted the organization who received them, and we were told that they did not know that the nonprofits needed it. But we didn't know about the organization. The director of admin and finance was the group that received it, but no one told us.

Senator LANDRIEU. Because it is our understanding that approximately \$75,000—\$746,000 of supplies is with Mississippi Wildlife and Fisheries and, to date, you haven't heard either from Wildlife and Fisheries or from anyone in the Mississippi State Government?

Mr. STALLWORTH. No, Madam Chairperson, we have not. We have registered with that organization as a nonprofit. It is very interesting to note that they say they couldn't find anyone, but the Mississippi Nonprofit Association is located right in Jackson, we are listed with them, but they never bothered to ask anybody anything.

Senator LANDRIEU. I am going to be sending a letter this afternoon just asking for the State of Mississippi to go on the record, because they might have information that has just not been made available and, in all fairness to them, I have not specifically requested it.

But as you heard from Paul Rainwater, the State of Louisiana moved very quickly to try to identify what Federal agencies had received these items to try to recover what we could, recognizing in the testimony that has been given that there was some mistakes made at the State level. The agency in charge of surplus did not notify the recovery authority, and that was a breakdown that happened at our State level.

But I am interested in the position or the understanding of what has happened since in Mississippi, and I will be asking the State for documentation. But I just wanted to hear from you that you have not yet received any official information or, to your knowledge, none of the other nonprofits in Mississippi?

Mr. STALLWORTH. Madam Chairman, if you will, when you get that, please let me know?

Senator LANDRIEU. Yes, I will send you a copy because maybe they have done some things that we are not aware of.

Let me ask, Ms. Keller, what are the three—you mentioned some of these, but if you would restate—what are the three biggest challenges your organization is facing right now 3 years after these storms?

I understand you would be considered operating in a host region, although your region had some damage, actually your region had significant damage from Hurricane Rita. You were also a host region for Hurricane Katrina. So you became a host for families fleeing from Hurricane Katrina. Four weeks later, your region, parts of your region, which is in southwest, was also hit by Rita. So you all have really have had a challenge.

What are the three maybe biggest challenges before you now? You mentioned housing, but I would like to give you a little bit more time to explain that.

Ms. KELLER. Thank you, Senator. You said it exactly too that as a host region it means that we had people who were displaced by Hurricane Katrina who flooded into the scarce housing market, already scarce, an already affordable housing crisis across the Nation and in Louisiana pre-Katrina. Then you had people come in and obviously a scarcity of housing with Rita, where that took some housing off the market.

So what happened there is you have got an even greater scarcity of housing, rents have skyrocketed, and so rental assistance is a huge key factor right there. It says that you have got people who cannot make enough money to afford the increased rents.

So one of our requests would be that as FEMA looks at ending their program, I know it can't continue forever and forever, but that there has got to be some rental assistance. To your credit, thank you again for securing the \$73 million for performance housing rentals, and that was the key.

The other piece is funds for case management. I know the LRA is working with FEMA to do a case management program. I have had some conversations with them today regarding that that says agencies like ours, Senator, are paying case managers out of our own pocket. We have got people that we are helping them move out of trailers right now, because their time is up, they need to try to get into housing, and we have cobbled together funds to try to be able to get them in housing. So there is a direct supply, moneys needed, utility assistance, funds to be able to provide them the supplies they needed because they weren't getting it from FEMA here, and we are paying for our case managers ourselves.

Senator LANDRIEU. Doesn't FEMA have case management funding available? Ms. Keller?

Ms. KELLER. I don't control their budgets, but I would assume that they would.

Senator LANDRIEU. Let me ask Mr. Rainwater, because you are basically coordinating this effort. What has FEMA provided to you to date, which they are authorized is my understanding, for case management?

Mr. RAINWATER. Yes, Senator, it is a good question. Since starting in January we have been talking to nonprofits like Ms. Keller and others and Unity and beginning to identify needs, and one of those obviously was the case for case management and indirect assistance, which is part of the surplus discussion. But Harvey Johnson, the Chief Operating Officer in FEMA, told me what they had in the beginning, in January and February, what were called Cora Brown funds, \$1.1 million, that would help us to bridge from the time that, you know, folks, case management, some case management funding had ended, there was none left, so they provided \$1.1 million.

Then we were going to move into another phase, a much more comprehensive case management phase. We have submitted a grant to FEMA for \$45 million to provide case management for 13,000 folks that are in the DHAP program, and we still have an-

other 11,000 folks in FEMA trailers, and our—and other processes throughout that transitional housing piece.

So we have submitted a grant application working with the Louisiana Family Recovery Corps and the New Orleans Disaster Recovery Group, which is part of the United Way. So we have submitted that grant application, we have made formal application for about a \$45 million grant.

Senator LANDRIEU. When did you submit that application to FEMA?

Mr. RAINWATER. Last week.

Senator LANDRIEU. Because I am going to ask FEMA for their response to that, and then I will ask Mississippi if they have submitted any requests for case management.

Mr. Stallworth, did you want to add anything?

Mr. STALLWORTH. We are in the process, there is a meeting going on today my staff is a part of. The Mississippi Center for Volunteerism is negotiating a contract with FEMA to provide case management assistance, specifically to those folks who are still in FEMA trailers or on some type of FEMA assistance. My only comment is that we don't know what they are going to do, how much they are going to provide, and the timing is a virtually 9-month contract to try and get close to, in this case, 8,000 families, case managed and into some permanent housing.

Again, how do you fit 8,000 people in the 700 homes? The problem with this—and one of the things that I would really hope this committee will do and recommend to FEMA and to HUD, is that they take a holistic approach to getting people back into homes. These temporary measures are just that. They don't solve the problem. We have to figure out a way that we can take those precious dollars and convert them not to temporary housing, but to permanent housing, and that requires a combination of volunteerism, nonprofits and moneys that will allow us to build the needed homes so that there is 8,000 homes available for 8,000 families, because the math doesn't work any other way.

Senator LANDRIEU. Mr. Davidson, let me ask you, I was intrigued by your longevity in this national organization of the 55 prominent national organizations, most are familiar to the people listening to us and people listening to this hearing, is your organization, you call it, VOAD. What is it, VOAD?

Mr. DAVIDSON. Yes, the national organization is National Voluntary Organizations Active in Disaster so these are commonly recognized big organizations that have arms, legs, pieces.

Senator LANDRIEU. Are you officially recognized by FEMA?

Mr. DAVIDSON. Yes.

Senator LANDRIEU. As the nonprofit partner, as their nonprofit partner?

Mr. DAVIDSON. Yes. NVOAD was actually a signatory of the National Response Plan; in other words, of the previous response plan. So it has a long history of working with FEMA.

I have to say after watching FEMA for all these years they have not been as responsive on a funding level. They are very cooperative and the long-term technical staff are very helpful to us, but from a financial standpoint FEMA has not provided much funding

for the development, the capability building, et cetera, of a national organization.

Senator LANDRIEU. Did they notify you of these goods before they declared them surplus?

Mr. DAVIDSON. No, I believe that we didn't know that. Diana Rothe-Smith, the Executive Director of NVOAD, is in the back. She may have heard something.

Could you stand up and say if you were notified or not?

Ms. ROTHE-SMITH. We were not notified, and the items are currently not in the Aidmatrix system.

Senator LANDRIEU. I am finding this extremely hard to believe that FEMA had \$18 million worth of items purchased with taxpayer dollars that they declared surplus and did not notify their nonprofit national partner, nor the two States most prominently involved in this particular disaster, to our knowledge, Mississippi or Louisiana, in any kind of appropriate notification fashion.

I am having an extremely difficult time understanding how this could happen, and I am not convinced of the testimony given in the previous panel that steps have been taken to correct this. This is quite disturbing.

Mr. Davidson.

Mr. DAVIDSON. Well, just to be clear, when FEMA gives things—first of all, there were two different things. There were donated supplies that were commingled, which I think is the first mistake. So the donated supplies should never have been commingled with FEMA supplies. There was a multi-agency warehouse in Mississippi, there was one in Louisiana. We worked with that multi-agency warehouse.

I can't understand where those things and how they got lost, so just from that standpoint. But when FEMA provides excess property to the States, the State Emergency Management Office will often tell us that there are trailers or vehicles or other things that are available for excess property surplus, and there is a mechanism. But in most cases, it is difficult to get those things. But this does not deal with those specific supplies that are mentioned here today.

Senator LANDRIEU. Well, I will conclude, I am not going to conclude this hearing, but I will come to this conclusion myself that the process that FEMA has currently established to determine whether something is surplus or not is completely broken and wholly inadequate.

To determine if something is surplus, you would seem to me to ask someone if they need it before determining that they don't need it. You have to ask the questions, or at least, I think as one of our panelists suggested, open the window and look out yourself. Neither one of those was done. They didn't look out the window to see the thousands of homeless people. Maybe they had lines that were too difficult to open. But then they also failed to pick up a phone and call anyone, either State, the nonprofits, to determine if anyone needed these items.

So we are going to hear more from FEMA about how they intend to fix this, but this is quite disturbing.

Mr. Stallworth and then Ms. Keller, and then I think we are going to wrap up.

Mr. STALLWORTH. Thank you, Madam Chairperson. One of the things that was disturbing, I think, in the previous testimony, was that somewhere FEMA decided that these supplies were not needed, and they were returned. I didn't quite get an answer at what point and who made that decision, because clearly, from what we know in both Mississippi and Louisiana, the need is—there is absolutely no question about the need.

All they would—if anyone who was there on the ground would need to do is just take a ride down my street to see the families who are still in need. So shipping stuff back to a warehouse, because some other—excuse the expression, for example—bureaucrat just decided they didn't want to deal with it is unacceptable.

Senator LANDRIEU. Ms. Keller.

Ms. KELLER. While we have the opportunity, Senator, to talk to FEMA and educate them a little about what might be happening on the ground, from somebody who is on the ground, day in and day out working alongside in some cases, their folks, I would say that one of the gentleman had referenced that people who were in trailers had housing supplies given to them. Our experience has been that has been incredibly sporadic. We hire evacuees as well, in addition to serving them. Some of our staff members received things like a trash can and a pillow, and that was it, in terms of housing supplies.

So I would just say that maybe that may be the protocol in the system, but it maybe just isn't translating into reality.

The other comment that I would like, and as it relates to the Rita-impacted area as opposed to some of the Katrina-impacted people, is if people are outside the trailers they are just off of FEMA's radar. Unfortunately, they are still in need, and throughout southwest Louisiana, and throughout Louisiana and throughout Mississippi as well.

So as we are talking about the need, and we are so determined what surplus is, you look at what your existing need is, I would just remind us, particularly as well to FEMA, that there are a lot of people out there who maybe don't have a FEMA trailer that they are living in, but they are still very much part of the recipient population that needs to be served.

Senator LANDRIEU. Right, they could be living with a family relative for 3 or 4 years, two or three families still living in a house, still struggling to rebuild their homes.

Ms. KELLER. That is the reality.

Senator LANDRIEU. Based on the testimony today, I am not sure if FEMA recognizes them as citizens deserving or in need of help, which is another problem.

Anybody who wants to close, Mr. Rainwater, and then I will bring this hearing to a close.

Mr. RAINWATER. Thank you, Senator Landrieu. I just want to kind of wrap this up. There are a couple of things, really, that I want you to know.

As we work through this process, we are looking at a very non-traditional approach, recognizing when I took this job in January, in talking with the Governor and your own staff, that we couldn't just look at this, as we typically would in a disaster, because as you just said, there are people in very nontraditional situations.

So we have reached out to the nonprofits. We are linking back to the State agencies that is responsible for this surplus equipment. We have taken the Louisiana nonprofit organization. We have sent out thousands of applications on how to get surplus equipment. We have got that linked up.

But we are also getting out and talking to faith-based groups and these nonprofits so that we can create, as we create a comprehensive housing strategy to look, going forward in March 2009, as the deadline ends, we want to create some sort of safety net. We are going to need our Federal partners to help us with that.

But what we promised is a plan. It says, this is our need, and we are quantifying it to you. We will bring it to your staff, obviously, and the committee and our Federal partners to move forward.

Senator LANDRIEU. Okay. I would like to end on a positive note, but I actually can't think of a positive note to end on, because I just conducted a hearing earlier in the week, and just—I can see this train wreck coming. FEMA is now over a year late, I think, providing their housing plan for dealing with catastrophic housing, and the plan that we received is really not a plan, it is a strategy of which seven pages are completely blank.

FEMA has now just decided to recommend to us, after 3 years, to appoint a task force. That is going to provide answers to the question that you just asked, Mr. Stallworth, is what do I do with how many families, did you say?

Mr. STALLWORTH. I have got 8,000 families trying to get into 700 homes.

Senator LANDRIEU. There are 8,000 families trying to get into 700 homes. The report that I got this week is that FEMA's recommendation to Congress is that we should establish a task force to figure that out. So I hope that this task force can be quickly put together and have their recommendations, get their budget request in, and houses built in 9 months, because if that doesn't happen we are going to be having a lot of hearings on this and other related subjects.

I would like to thank the witnesses today for their valuable testimony and Members for their questions. The Members of this joint subcommittee may have additional questions for the witnesses. We would ask that you respond expeditiously in writing.

Hearing no further business before anyone, this hearing is adjourned.

[Whereupon, at 3:20 p.m., the joint subcommittee was adjourned.]

APPENDIX

QUESTIONS FROM SENATOR MARY L. LANDRIEU FOR THE FEDERAL EMERGENCY MANAGEMENT AGENCY, DEPARTMENT OF HOMELAND SECURITY

REQUEST FOR INVENTORY OF FEMA SUPPLIES

Question 1a. On June 12, I wrote to Administrator Paulison requesting an inventory of surplus supplies in the custody of FEMA and DHS. I also requested his assistance in returning any unobligated supplies back to the State of Louisiana. On July 16, he responded with a letter indicating that “. . . [FEMA] will work with you and your staff to ensure visibility into the distributed supplies as well as any remaining in storage.” Please provide my office with an inventory of all FEMA household supplies currently in storage in Louisiana.

Are there any supplies designated for victims of Katrina and Rita that are still in storage elsewhere around the country?

If yes, please provide my office with an inventory and location of these items.

Answer. No.

Question 1b. Will FEMA agree to provide a tour of the warehouses in Louisiana and Fort Worth for Louisiana State officials?

Answer. Yes.

REQUEST FOR INVENTORY/STATUS OF DHS SUPPLIES

Question 2a. On June 18, I wrote to Homeland Security Secretary Chertoff requesting an inventory of surplus supplies in the custody of DHS. It is my understanding, from documents provided by the General Services Administration, that DHS agencies, including the Border Patrol, received surplus supplies from FEMA. While FEMA responded to my request to their agency, DHS has yet to respond. I would like to receive additional information on surplus supplies received by DHS agencies in February 2008, as well as supplies which may have been provided to DHS agencies via the DHS Reutilization Officer in late 2007.

Please provide my office with an inventory and listing of all DHS agencies that received surplus supplies from FEMA between July 2007 and February 2008.

Question 2b. Please provide my office with an inventory and listing of all DHS agencies that received surplus FEMA supplies from GSA in February 2008.

Answer. Attachments 1, 2 and 3 provide the information requested on all DHS agencies that received surplus supplies from FEMA between July 2007 and February 2008, as well as surplus FEMA supplies from GSA in February 2008.

09/08/2008 10:30 FAX
09/07/2008 10:47 FAX002/004
003/003

FTW-ΦΦΦ

Generator Excess May 2008							
Item #	Item	Manufacturer	Barcode	Model #	Serial #	Engine make/Model	Acquisition Cost
1	Generator 10.9 KW	FG Wilson	579375	L10SP	DAAL003847	Perkins	\$ 9,193.41
2	Generator 10.9 KW	FG Wilson	579379	L10SP	DAAL005191	Perkins	\$ 9,193.41
3	Generator 10.9 KW	FG Wilson	579380	L10SP	DAAL005193	Perkins	\$ 9,193.41
4	Generator 10.9 KW	FG Wilson	579381	L10SP	DAAL005194	Perkins	\$ 9,193.41
5	Generator 10.9 KW	FG Wilson	579382	L10SP	DAAL005192	Perkins	\$ 9,193.41
6	Generator 27 KW	FG Wilson	579409	U106782D	D5308A001	Perkins	\$ 13,236.14
7	Generator 65 KW	FG Wilson	579405	P108E	D5308U001	Perkins	\$ 23,028.18
8	Generator 96 KW	FG Wilson	125741	U606826A	A4397D007	Perkins	\$ 23,028.18
9	Generator 96 KW	FG Wilson	314522	U60683A	A4397D010	Perkins	\$ 23,028.18
10	Generator 96 KW	FG Wilson	314524	U606873	A4397D008	Perkins	\$ 23,028.18
11	Generator 96 KW	FG Wilson	318008	U640246A	A4397D003	Perkins	\$ 23,028.18
12	Generator 100 KW	FG Wilson	548315	U707404D	D8011B004	Perkins	\$ 23,028.18
Grand Total:							\$197,372.27

09/08/2008 11:22AM (GMT-05:00)

STANDARD FORM 120 REV APRIL 1957 DDI SERV. ADMIN. FPMR (41 CFR) 101-42.511		REPORT OF EXCESS PERSONAL PROPERTY		1. REPORT NO. 7074 FS	2. DATE MAILED 02/11/2008	PAGE 1 OF 1 3. TOTAL COST \$ 326,724.00	
4. TYPE OF REPORT (Check one only of "a," "b," "c," or "d")	<input checked="" type="checkbox"/> a. ORIGINAL	<input type="checkbox"/> b. CORRECTED	<input type="checkbox"/> c. PARTIAL	5. TOTAL WTD (Also check "a" under "1" if applicable)		<input type="checkbox"/> 8. OVERSEAS	<input type="checkbox"/> 9. CONTRACTORS REV
6. TO (Name and Address of Agency to which report is made) THRU General Services Administration (GSA)						7. APPROPR. OR FUND TO BE REIMBURSED (if any)	
7. FROM (Name and Address of Reporting Agency) FEMA-DC CENTRAL (FORT WORTH FEDERAL CENTER) 501 W. Felix Street Fort Worth, TX 76115						8. REPORT APPROVED BY (Name and Title) REBECCA PATRICK	
9. FOR FURTHER INFORMATION CONTACT (Title, Address and Telephone No.) Louis Anderson-817-759-4753 or Jeff Yearty-817-769-4763 501 W. Felix Street Fort Worth, TX 76115						10. AGENCY APPROVAL (if applicable) LUIS MORALES	
11. SEND PURCHASE ORDERS OR DISPOSAL INSTRUCTIONS TO (Title, Address and Telephone No.) Gary Fisher-817-759-4761 501 W. Felix Street Fort Worth, TX 76115						12. GSA CONTROL NO.	
13. FSC GROUP NO.	14. LOCATION OF PROPERTY (If location is to be abandoned, give date) FEMA-DC CENTRAL(FORT WORTH FEDERAL CENTER) 2310 501 W. Felix Street Fort Worth, TX 76115			15. REIM. NEEDED YES NO <input checked="" type="checkbox"/> X	16. AGENCY CONTROL NO. 7074 FS	17. SURPLUS RELEASE DATE	
EXCESS PROPERTY LIST							
ITEM NO. (a)	DESCRIPTION (b)	COND (c)	UNIT (d)	NUMBER OF UNITS (e)	ACQUISITION COST PER UNIT (f)	TOTAL (g)	FAIR VALUE % (h)
1	RV, MOTORHOME, 31', DHS 26604 VIN#1FDXE46S25HA50713; B/C#1208859	7		1	\$69600.00	\$69,600.00	
2	RV, MOTORHOME, 24', DHS 25505 VIN#1FDXE45SX4HB29951; B/C#1209882	7		1	\$57900.00	\$57,900.00	
3	RV, MOTORHOME, 30', DHS 25506 VIN#1F6MF53S140A12435; B/C#1208880	7		1	\$70612.00	\$70,612.00	
4	RV, MOTORHOME, 30', DHS 25502 VIN#1FCMF53S130A05397; B/C#1209863	7		1	\$80000.00	\$80,000.00	
5	RV, MOTORHOME, 30', DHS 25503 VIN#1FDXE46S24HB38272; B/C#1209861	7		1	\$70612.00	\$70,612.00	

COMPLETED

02/11/2008 3:44PM (GMT-06:00)

09/08/2008 11:22AM (GMT-05:00)

Standard Form 122 JUNE 1974 GENERAL SERVICES ADMINISTRATION PPMR (41 CFR) 101-32.306 PPMR (41 CFR) 101-42.316		TRANSFER ORDER EXCESS PERSONAL PROPERTY		1. ORDER NO. 707445-9042		
3. TO: General Services Administration* GSA REGION 7 819 TAYLOR ST FORT WORTH, TX 76102-6103		4. ORDERING AGENCY (Full name and address)* DHS/CB/PS BORDER PATROL RGV SECTOR (DODAC 707445) 2301 SOUTH MAIN ST. MCALLEN, TEXAS 78503		2. DATE 2/11/08		
5. HOLDING AGENCY (Name and address)* FORT WORTH FEDERAL CENTER 501 W. FELIX ST., WHSE #2 SOUTH FORT WORTH, TX 76115		6. SHIP TO (Consignee and destination)* DHS/CB/PS BORDER PATROL RGV SECTOR (DODAC 707445) 2301 SOUTH MAIN ST. MCALLEN, TEXAS 78503				
7. LOCATION OF PROPERTY FORT WORTH FEDERAL CENTER 501 W. FELIX ST., WHSE #2 SOUTH FORT WORTH, TX 76115		8. SHIPPING INSTRUCTIONS <i>by</i> Release Property to Alfredo Alvarado & Jorge Gauna				
9. ORDERING AGENCY APPROVAL		10. APPROPRIATION SYMBOL AND TITLE				
a. SIGNATURE <i>Karl B. Brown</i>		b. DATE 02/11/2008				
c. TITLE Fritzel B. Brown, Personal Property Specialist		11. ALLOTMENT		12. GOVERNMENT FUL NO.		
13. PROPERTY ORDERED						
FSA AND HOLDING AGENCY NOS (a)	ITEM NO (b)	DESCRIPTION (Include noun name, FSC group and class, condition code and, if available, National Stock Number) (c)	UNIT (d)	QUANTITY (e)	ACQUISITION COST	
					UNIT PRICE	TOTAL (f)
	001	7051 MISCELLANEOUS HOUSEHOLD ITEMS <i>51 line items</i>				\$131,240 ⁷²
14. GSA APPROVAL		a. SIGNATURE <i>Dina Gonzalez</i>		b. TITLE <i>P.D.S.</i>		c. DATE 2/13/08
PER GSA USE ONLY		AGENCY AND LOCATION		RELEASE BY: _____		
AGENCY STATE		FSC CONDITION SOURCE CODE		RECEIVED BY: _____		

*Include ZIP Code

PHONE # 956-631-0123
FAX # 956-631-7359

LP170000151898

(25)

DHS/CBP/US Border Patrol RGV Sector
 Logistic Center Fort Worth, Texas Site Transfer Program

Cots	2 Pallets	\$ 1,760.00
Cots	3 Pallets	\$ 1,971.20
Waders Various Size	1 Pallet	\$ 989.78
Dinner Ware Conelle 16 PC	1 Pallet	\$ 888.30
Hedpack Containers 5 Gal Plastic, Hedwin	2 Pallets	\$ 3,164.40
Coleman 2 Burner Stove	2 Pallets	\$ 5,275.20
Tent Oasis 16 X 10	2 Pallets	\$ 4,478.40
Blanket, Wool/Mix Gray	1 Pallets	\$ 768.00
Sheets, 60 X 60	3 Cases	\$ 1,944.00
Office trash cans	54	\$ 4 153.90
Cord Extension 100' yellow	1 pallet	\$ 8,100
Military Spec Cots	30	\$ 739.50
Traps 16 X 20	1 Pallets	\$ 1,034.70
3M Heavy Duty Degreaser		\$ 299.40
Mops	1 Pallets	\$ 2961.00
Rubber Boots	3 Pallets	\$ 5,457.60
Every Ready 2D Battery Flashlight	2 Cases	\$ 75.84

Flat Sheet	4 Cases	\$ 2592.00
Flatwear	5 Cases	\$ 4320.00
3M Hand Soap Concentrate	8 Cases	\$ 191.52
Antibacterial Wipes	22 Boxes	\$ 61.38
Flying Insect Killer	6 Cases	\$ 392.40
Cyalme High Tech	11 Cases	\$ 97.90
Bug Repellent Bug Ban	8 Cases	\$ 383.04
Waders size 9	3 Cases	\$ 809.82
Waffle Pads	12	\$ 359.85
Pillows	1 Pallet	\$ 158.96
Brooms	1 Pallet	\$ 1,002.24
Washcloth	6 Bails	\$ 576.00
Tent Oasis 16 X10	2.5 Pallets	\$5,598
Tent Coleman 13 X11	1 Pallet	\$7,725.60
Tent Weather Master	1 Pallet	\$ 1,691.88
Tent Oasis 16 X 10	1 Pallet	\$ 2,239.20
Mens Underwear	1 Pallet	\$ 239.70
Towel Dish	4 Bundles	\$ 1,128.00
Dinner Ware Conelle 16 PC (just white)	1 Pallet	\$ 296.10
Fire Extinguisher Multi-purpose	1 Pallet	\$ 18,368.64
Fire Extinguisher Bracket	1 Pallet	\$ 4, 948.02

Coleman 1 Gal Red Jug	1 Pallet	\$ 774.90
Health & Comfort Kit, Pack Type 1	1 Pallet	\$ 374.40
First Aid Back Pack	2 Pallets	\$ 1,799.64
Coleman 2 Burner Stove	1 Pallet	\$ 13,473.95
Coleman 2 Burner Stove	2 Pallets	\$ 5,275.20
Coleman Lantern W/Carrying Case	2 Pallets	\$ 1,523.52
Waders Size 12	3 Cases	\$ 779.88
3M Oil Treatment Absorbent	12 Cases	\$ 299.40
Buckets	1 Pallet	\$ 127.44
Pillow Cases	1 Pallet	\$ 1,969.92
Tabs W/Lids	10 cases	\$ 726.00
Cord Extension 100' Orange/Black	1 Pallet	\$ 9,000
Cord Extension 100' yellow/Black	13 cases	\$ 2,160

SEP 10 2008 11:47 FR GSA PROP MGMT REG 7 8175742366 TO 912025463688 P.03/10

Docc# - 157105

STANDARD FORM 122 JUNE 1974 GENERAL SERVICES ADMINISTRATION FPMR (41 CFR) 101-11.6 FPMR (41 CFR) 101-11.6		TRANSFER ORDER EXCESS PERSONAL PROPERTY		1. ORDER NO. 06-09-08	
3. TO: General Services Administration* FEMA 500 Felix Dr. Ft Worth, TX 76140		4. ORDERING AGENCY (Full name and address)* USMS 30 S. 8th St. Ft. Smith, AR 72801		2. DATE 02/13/2008	
7. ISSUING AGENCY (Name and address)* FEMA 500 Felix Dr. Ft Worth, TX 76140		5. BUYER (Name and Address)* Dave Cook 478-783-5215 FAX 479-782-4204			
6. LOCATION OF PROPERTY Same		8. SHIPPING INSTRUCTIONS Same			
9. ORDERING AGENCY APPROVAL A. SIGNATURE <i>Gale Walters</i> B. DATE 02/13/2008		10. APPROPRIATION SYMBOL AND TITLE			
C. TITLE FED Coordinator		11. ALLOTMENT		12. GOVERNMENT BUL NO.	

13. PROPERTY ORDERED						
GSA AND ISSUING AGENCY NOS. (U)	ITEM NO. (U)	DESCRIPTION (Include item name, FSC Group and Class, Condition code and if available, National Stock Number) (U)	UNIT (U)	QUANTITY (U)	ACQUISITION COST	
					UNIT (U)	TOTAL (U)
	1525	50 line items 3990				0.00
		<i>#467,426</i>				0.00
Total of Property Ordered						\$0.00

14. GSA APPROVAL A. SIGNATURE <i>Anna Conales</i> B. TITLE P.DS C. DATE 2/13/08				
FORM USE ONLY	AGENCY AND LOCATION	FSC	CONDITION	SOURCE CODE

DAVID.COOK@usdoj.GOV

151859 (21)
ENTERED 02/13/08

SEP 18 2008 11:47 FR GSA PROP MGMT REG 7 8175742366 TO 912025453600 P.04/10

APR 18 2008 11:00 FR USMS W/RR-FORT SMITH?9 762 4204 TO 10103334.8175742 P.02

STANDARD FORM 128 JUNE 1974 GENERAL SERVICES ADMINISTRATION FPMR (41 CFR) 101-11.608 FPMR (41 CFR) 101-11.615		TRANSFER ORDER EXCESS PERSONAL PROPERTY		1. ORDER NO.			
3. TO: General Services Administration* FEMA 500 Felix Dr. Fort Worth, Texas 76140		4. ORDERING AGENCY (Full name and address) USMS 30 S. 6th St. Fort Smith, AR 72901		2. DATE			
6. HOLDING AGENCY (Name and address) Same		5. SHIP TO (Name and address) Dave Cook 479-763-5215		7. LOCATION OF PROPERTY Same			
9. ORDERING AGENCY APPROVAL <i>[Signature]</i>		10. APPROPRIATION SYMBOL AND TITLE		8. SHIPPING INSTRUCTIONS Same			
11. ALLOTMENT		12. GOVERNMENT #, NO.		c. DATE			
13. PROPERTY ORDERED							
GSA AND HOLDING AGENCY NOS. (41)	ITEM NO. (3)	DESCRIPTION (Include noun name, ABC Group and Class, Condition code and, if available, National Stock Number) (5)	UNIT (6)	QUANTITY (9)	ACQUISITION COST		
					UNIT (7)	TOTAL (8)	
	58A	Towel, Bath	PL	3	3,060.00	9,180.00	
	60A	Tote, 40 Gal	PL	6	29,040.00	174,240.00	
	61A	Tote, 40 Gal lid (includes in 60A - Tote, 40 Gal price)	EA	240		0.00	
	62B	Pillow	PL	10	441.00	4,410.00	
	63B	Dinner Ware Conelle, 16pc, 12 pc Flat Ware Ecko	EA	108	19.76	2,134.08	
	66B	Coffee Maker (Mr. Coffee)	PL	2	1,314.00	2,629.20	
	67C	Hedpack Containers 5 Gal Plastic, Hedwin	EA	360	8.79	3,164.40	
	70C	Fire Extinguisher 2.5 LB ABC Dry Chemical	EA	1728	17.40	30,067.20	
	71C	Fire Extinguisher Bracket Included (Mod: A02 VB)	EA	396	24.99	9,896.04	
	73C	Coleman 1Gal Red Jug	PL	2	774.90	1,549.80	
	80D	Sooth Brite Disinfecting Wipes	PL	50	1,973.40	98,670.00	
	82D	Hand Sanitizer - 8 oz (Gojo/Purull Brand) Exp. 7/08	PL	3	5,150.88	15,452.64	
	83D	Adult Wipes, 95 wipes/tub, 6 tube/cs, 576 ea per cs	CS	80	4.79	383.20	
	95	9"x12" Inter-Dept Envelopes	CS	16	29.00	464.00	
		Total of Property Ordered				\$352,240.56	
14. GSA APPROVAL		a. SIGNATURE		b. TITLE		c. DATE	
FOR GSA USE ONLY		AGENCY AND LOCATION		PSC		CONDITION	
		STATE		SOURCE		CODE	

*Include ZIP Code

STANDARD FORM 122 JUNE 1974 GENERAL SERVICES ADMINISTRATION FORM 141 (REV 101-32-336) FPMR (41 CFR) 101-11.6		TRANSFER ORDER EXCESS PERSONAL PROPERTY		1. ORDER NO.
3. TO: General Services Administration*		4. ORDERING AGENCY (Full name and address)*		2. DATE
FEMA 500 Felix Dr. Fort Worth, Texas 76140		USMS 30 S. 8th St. Fort Smith, AR 72801		
5. HOLDING AGENCY (Name and address)*		6. SHIP TO (Company and destination)*		
Same		Dave Cook 479-783-6215		
7. LOCATION OF PROPERTY		8. SHIPPING INSTRUCTIONS		
Same		Same		
9. ORDERING AGENCY APPROVAL		10. APPROPRIATION SYMBOL AND TITLE		
a. SIGNATURE	b. DATE			
<i>[Signature]</i>	<i>[Date]</i>			
c. TITLE		11. ALLOTMENT	12. GOVERNMENT BI. NO.	
<i>[Signature]</i>				

13. PROPERTY ORDERED						
GSA AND HOLDING AGENCY NOS.	ITEM NO.	DESCRIPTION <small>(Include noun name, FSC Group and Class, Condition code and, if available, National Stock Number)</small>	UNIT	QUANTITY	ACQUISITION COST	
					UNIT	TOTAL
	20A	NEXT 1 Moisturizing Skin Care Lotion-12 oz	CS	5	28.68	143.40
	24A	Cord, Extension 100' Yellow	PL	1	8,100.00	8,100.00
	24A	Cord, Extension 100' Orange/Black	PL	1	4,875.00	4,875.00
	34A	Military Spec. Cots	EA	30	24.65	739.50
	35A	Cots	EA	6	35.20	211.20
	37A	Tarps - 16 x 20	EA	150	34.49	5,173.50
	40A	Waders Size 10	EA	12	54.99	659.88
	40A	Waders Size 13	EA	24	74.99	1,799.76
	42A	3M Heavy Duty Degreaser	EA	60	4.99	299.40
	43A	3% Hydrogen Peroxid USP 4 oz.	EA	240	0.79	189.60
	45A	3M Oil Treatment Oberbent	EA	55	4.99	274.45
	46A	Antibacterial Wipes	EA	284	2.79	786.56
	52A	Hand Sanitizer 2 oz.	EA	6720	1.49	10,012.80
	55A	Mens Underwear	CA	75	7.89	599.25
	56A	Dust Pan	EA	100	2.45	245.00
Total of Property Ordered						\$34,059.30

14. GSA APPROVAL		a. SIGNATURE	b. TITLE	c. DATE

FOR GSA ONLY	AGENCY AND LOCATION	FPC	CONDITION	SOURCE CODE

*Include ZIP Code

SEP 10 2008 11:47 FR GSA PROP MGMT REG 7 8175742366 TO 912026463600 P.06/10
 APR 10 2008 11:00 FR USMS W/AR-FORT SMITH79 782 4204 TO 1010303#;8175742 P.04

STANDARD FORM 132 JUNE 1976 GENERAL SERVICES ADMINISTRATION FPMR (41 CFR) 101-11.6-208 FPMR (41 CFR) 101-11.6-315		TRANSFER ORDER EXCESS PERSONAL PROPERTY		1. ORDER NO.		
3. TO: General Services Administration* FEMA 500 Felix Dr. Fort Worth, Texas 76140		4. ORDERING AGENCY (Full name and address)* USMS 30 S. 6th St. Fort Smith, AR 72901		2. DATE		
5. HOLDING AGENCY (Name and address)* Same		6. SHIP TO (Recipient and destination)* Dave Cook 479-793-6215				
7. LOCATION OF PROPERTY Same		8. SHIPPING INSTRUCTIONS Same				
9. ORDERING AGENCY APPROVAL		10. APPROPRIATION SYMBOL AND TITLE				
a. SIGNATURE <i>[Signature]</i>		b. DATE 4/10/08				
c. TITLE <i>[Signature]</i>		11. ALLOTMENT		12. GOVERNMENT BK. NO.		
13. PROPERTY ORDERED						
GSA AND HOLDING AGENCY NOS. (a)	ITEM NO. (b)	DESCRIPTION (Include item name, FSC Group and Class, Condition code and, if available, National Stock Number) (c)	UNIT (d)	QUANTITY (e)	ACQUISITION COST	
					UNIT (f)	TOTAL (g)
	2	Nexcere Deluxe	CS	5	100.00	500.00
	9	Coleman Lantern With Carrying Case	PL	1	1,523.52	1,523.52
	13	Blanket, Wool/Mix Grey	PL	5	1,209.80	6,048.00
	17	Batteries, D-Cell	PL	3	4,095.36	12,286.08
	18	Toilet Paper, Envision	CS	32	63.20	2,022.40
	19	Plasticware, School Packs	CS	168	35.00	5,880.00
	20	Plasticware, Spork Cutlery Kit	CS	81	90.00	7,290.00
	21	Plastic, Cutlery Kit	CS	130	35.00	4,550.00
	1A	Mop	PL	2	5,076.00	10,152.00
	10A	Bucket	PL	1	509.76	509.76
	11A	Pillow Case	PL	1	2,626.56	2,626.56
	14A	Flat Sheet	EA	240	5.40	1,296.00
	16A	D-2 Batteries Energizer 2 Pack	EA	192	1.10	211.20
	19A	Flatwear	CS	5	1,080.00	5,400.00
		Total of Property Ordered				\$60,295.52
14. GSA APPROVAL		a. SIGNATURE		b. TITLE		c. DATE
FOR GSA USE ONLY	AGENCY AND LOCATION	FSC	CONDITION	SOURCE CODE		
ONE						

*Include ZIP Code

SEP 10 2008 11:48 FR GSA PROP MGMT REG 7 8175742366 TO 912026463600 P.08/10

MAR 05 2008 12:43 FR USMS W/AR-FORT SMITH79 782 4204 TO 1010333H,8175742 P.01



UNITED STATES MARSHALS SERVICE
Western District of Arkansas

OFFICE TELEPHONE: (479) 783-5215 FAX: (479) 782-4204

TO: NINA
ORGANIZATION: GSA
PHONE NO.: _____ FAX NO.: _____
FROM: D. COOK
DATE: 3/25 PAGES: 1 (EXCLUDING COVER PAGE)

COMMENTS:

Thank You

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PRECEDENCE: IMMEDIATE PRIORITY ROUTINE
CLASSIFICATION: SENSITIVE NON-SENSITIVE

SEP 18 2008 11:48 FR GSA PROP MGMT REG 7 8175742366 TO 912026463600 P.09/10
 MAR 20 2008 12:43 FR USMS W/AR-FORT SMITH79 782 4204 TO 10103334,8175742 P.02

STANDARD FORM 122 JUNE 1974 GENERAL SERVICES ADMINISTRATION FORM (41) (2) 101-32-306 FORM (41) (2) 101-43-316		TRANSFER ORDER EXCESS PERSONAL PROPERTY		1. ORDER NO. 157105		
2. TO: General Services Administration* FEMA 500 Felix Dr. Ft Worth, Texas 78140		4. ORDERING AGENCY (Full name and address) USMS 30 S. 6th St. Fort Smith, Ark. 72901		3. DATE		
3. HOLDING AGENCY (Name and address) SAME		6. SHIP TO (Name and department) Dave Cook 479-783-5215				
7. LOCATION OF PROPERTY SAME		8. SHIPPING INSTRUCTIONS SAME				
9. ORDERING AGENCY APPROVAL <i>[Signature]</i>		10. APPROPRIATION SYMBOL AND TITLE Original W/AR		11. ALLOTMENT		
12. DATE 3/25/08		13. GOVERNMENT BU. NO.				
13. PROPERTY ORDERED						
GSA AND HOLDING AGENCY NOS. (A)	ITEM NO. (B)	DESCRIPTION (Include item name, FSC Group and Class, Condition code and, if available, Revision (Serial Number)) (C)	UNIT (D)	QUANTITY (E)	ACQUISITION COST	
					UNIT (F)	TOTAL (G)
3A	3A	Broom	PL	1	2,449.92	2,449.92
61	61	Hand Sanitizer 4 oz.	PL	3	8,023.68	24,071.04
5A	5A	(#12 warehouse) Lantern w/ carrying case	PL	1	1,184.96	1,184.96
13	13	(#12 warehouse) Flashlights	PL	2	4,095.36	8,190.72
60A	60A	Scotch Brite Wipes	PL	1	1,578.20	1,578.20
56	56	Fire Extinguisher	PL	1	4,209.48	4,209.48
56A	56A	Fire Extinguisher	PL	1	3,828.80	3,828.80
47A	47A	Dust Pan	PL	1	1,176.00	1,176.00
50	50	Total, 40 gallon (w/ lids)	PL	2	871.20	1,742.40
						0.00
						0.00
						0.00
						0.00
						0.00
						0.00
Total of Property Ordered						\$48,429.62
14. GSA APPROVAL <i>[Signature]</i>		15. SIGNATURE <i>[Signature]</i>		16. DATE 3/25/08		
FOR GSA USE ONLY	AGENCY AND LOCATION	FIC	CONDITION	SOURCE CODE		

*Include ZIP Code

151926 / 151930
 755
 (0497)
 ** TOTAL PAGE 02 **

QUESTIONS FROM SENATOR MARY L. LANDRIEU FOR PAUL RAINWATER, EXECUTIVE
DIRECTOR, LOUISIANA RECOVERY AUTHORITY

Question 1. Has collaboration between the LRA and FEMA's logistics staff improved since this incident occurred?

Answer. Response was not received at the time of publication.

Question 2. Do you feel that FEMA has taken the necessary measures to prevent a recurrence of this episode, or are there additional changes that you would recommend?

Answer. Response was not received at the time of publication.

Question 3. I am continuing to work with the LRA to return unobligated surplus supplies from the Federal Government and States. For the record, as well as for any Federal/State agencies that might be watching, can you outline what household items are still needed in south Louisiana? What State agencies should organizations contact if they have supplies that might be useful?

Answer. Response was not received at the time of publication.

Question 4. How many nonprofit organizations has the LRA registered to date to receive supplies that the LRA receives in the future?

Answer. Response was not received at the time of publication.

