

House Select Committee on Disaster Recovery

Minutes of Meeting
2024 Regular Session
April 5, 2024

I. CALL TO ORDER

Representative Jerome Zeringue, chairman of the House Select Committee on Disaster Recovery, called the meeting to order at 1:01 p.m. in Room 3, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Jerome Zeringue, chairman
Representative Jacob Braud
Representative Jason Brian DeWitt
Representative Kellee Hennessy Dickerson
Representative Wayne McMahan
Representative Patricia "Pat" Moore
Representative John E. Wyble

MEMBERS ABSENT:

Representative Ryan Bourriaque
Representative C. Travis Johnson

STAFF MEMBERS PRESENT:

Robin Stalder, attorney
Benjamin Westra, attorney
Lacy Slaughter, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Myrtis Jarrell, sergeant at arms

III. DISCUSSION

To receive information on Hurricane Ida Recovery and FEMA Reimbursements

Gina Campo, Office of Community Development-Disaster Recovery Unit (OCD-DRU), no address provided, spoke for information only and presented a PowerPoint, "Disaster Recovery Programs and Resources". The presentation gave information about the (OCD-DRU), including the types of programs administered; the disaster recovery cycle; an overview of Community Development Block Grant (CDBG) funding, including disaster recovery and mitigation; the state's allocations for the most recent federally declared disasters in 2020 and 2021 and the programs administered through these allocations; their small business loan program allocation and criteria to qualify for these loans; the nonfederal match program and its limitations; their resilient communities infrastructure program budget and status; the Restore Louisiana homeowner assistance program; the flood insurance program; the interim housing assistance program; the buyout and incentive program; the Louisiana Watershed Initiative and its progress; their priorities moving forward; and their monthly report to the committee.

Jacques Thibodeaux, GOHSEP, no address provided, spoke for information only and provided a handout, Exhibit A, which is included in the committee records. Mr. Thibodeaux spoke about the Governor's Office of Homeland Security and Emergency Preparedness' (GOHSEP) mission to support the governor's office by offering specialized leadership during crises and improving day to day operations; their key strategic change which allows parishes to receive funding faster after a disaster; disaster funding and management including public assistance allocations as well as hazard mitigation; challenges with sheltering and housing pre-storm and post-storm, the options available for current housing solutions, and their direct housing program; a breakdown of the current status of residences in Terrebonne Parish, Lafourche Parish, Jefferson Parish, St. John Parish, St. Charles Parish, St. James Parish, and Plaquemines Parish; mobile home parks in Terrebonne Parish, Lafourche Parish, Jefferson Parish, and St. Charles Parish; the challenges and emotional impacts of these housing situations; rapid rehousing efforts; and next steps and challenges GOHSEP is facing. He concluded that their overall goal is to streamline disaster response and recovery processes while addressing the complexities of long-term housing needs.

Ms. Campo stated that people in the Restore Louisiana homeowner program and housing units will be prioritized and receive interim housing benefits. Significant funding of the program is allocated for rapid rehousing, and funding has seen a major increase from the amount spent for the 2016 floods. This funding will last for 12 months and is aimed at assisting complex cases with additional support from LHC. The effort is ongoing and there is a continued need for support.

Representative Zeringue mentioned that there are numerous programs available for disaster recovery, but they can be frustrating due to lack of awareness, slow processes, challenges with FEMA processes and affordable housing development, new construction in flood zones restricted by rules which complicate rebuilding efforts, and how, overall, navigating these obstacles remains challenging for citizens affected by storms.

Representative Galle was in attendance and asked if Mr. Thibodeaux could go back through the steps where they go from shelter to noncongregate housing to affordable housing and if there is an

estimated time frame at each level. Mr. Thibodeaux offered a summary of the sheltering process: before a storm, parishes and the state prepare sheltering plans. Parishes evacuate people to designated locations, and shelters include general, special needs, and last resort types. After the storm, people move to congregate shelters like schools, gyms, or community centers, and simultaneously GOHSEP coordinates with Federal Emergency Management Agency (FEMA) for noncongregate sheltering which transitions to FEMA direct housing, which involves mobile homes for longer-term use. He said GOHSEP manages initial and temporary sheltering, and FEMA handles direct housing and longer-term solutions. He also stated that FEMA typically funds noncongregate sheltering for 12 to 18 months and direct housing for 36 to 48 months after the disaster. After that, funding shifts to the Department of Housing and Urban Development (HUD).

Representative Dickerson asked how many citizens are currently still waiting for repairs or Manufactured Housing Units (MHU). Ms. Campo responded that approximately 44,000 individuals requested applications, with 25,000 currently in-process, and 66% have been offered grants, though only a portion of that has been obligated, indicating some recipients have yet to accept their awards. Some funds have already been dispersed, including reimbursements for those who completed their own repairs, and the remaining 18% of applicants still need grant determinations and offers. She then asked her subject matter expert to come to the table to discuss MHUs.

Jeff Haley, OCD-DRU, Lasalle Building, no city, state, or zip code provided, spoke for information only and explained that the storms, particularly Laura and Delta, affected a significant number of mobile homes, leading to adjustments in this disaster recovery program. Unlike previous programs, which focused on repairs, the current approach emphasizes replacing damaged mobile homes, as most are older and not safe to repair. The program now offers a significant increase from previous years due to rising costs. Homeowners can choose to purchase their replacement units from dealerships.

Ms. Campo mentioned that she could provide more detail after the meeting on the current status of the MHU population.

Representative Wyble asked for clarification on the process of disaster relief funding and about the timeline and process for congress allocating funds to HUD, to Louisiana receiving and utilizing the funds. Ms. Campo explained that after congress allocates funds, HUD must issue a Federal Register notice outlining the rules for the funds, which can take several months. Louisiana then submits an action plan within 30 days, but it can take six to nine months before the state can use the money due to additional reviews and approvals.

Representative Wyble also asked whether the state physically receives the funds, to which Ms. Campo clarified that the program is reimbursement-based, meaning careful planning is essential to ensure compliance with federal stipulations. Representative Wyble highlighted a gap between funds obligated and those actually awarded, asking if she could explain the delays. Ms. Campo agreed that this has been a challenge but stated that, although improvements are still needed, Louisiana is faster

than other states in distributing funds. She also explained that different programs have varying start times and complexities and homeowner recovery is the top priority.

Mr. Haley added that the homeowner program operates on a reimbursement basis. If a homeowner is awarded funds to reconstruct their home, they have up to a year to complete the construction. The reimbursement occurs in stages as the home is being built.

Representative Zeringue announced that the next witness had another engagement so he temporarily paused the current line of questioning to let that witness speak.

Tim Temple, commissioner, Louisiana Department of Insurance, no address provided, spoke for information only and provided some rough insurance data related to Hurricane Ida. He shared that in September 2022, the Department of Insurance collected data from insurance carriers, giving numbers on what had been paid or reserved for Ida-related claims and how much was for residential claims. He also gave the total claims filed and said how many were residential. He went on to detail how many hurricane complaints had been received and resolved by April 2023. Mr. Temple emphasized the importance of preparing for future events by working with insurance companies to improve the claims process, with the goal of getting insurance payouts to consumers more quickly and to reduce the number of people that need to utilize recovery programs.

Representative Dewitt asked, based on Louisiana's susceptibility to these types of disasters, if there are any changes the department might make in response to future events. Mr. Temple explained that his department is planning to engage with major insurance companies after the legislative session to develop a solid disaster response plan, aiming to ensure quicker claims processing and payments, and help communities recover faster after future events.

The previous witnesses returned to the table, and the questions related to their testimonies resumed.

Representative Wyble asked about the typical time frame for approval in the Restore Louisiana program. Mr. Haley explained that the approval process usually takes approximately four months, but the entire program, from start to finish, can take several years. He mentioned that the 2016 flood recovery program took about five years, which was considered fast. For the current program, they anticipate a quicker turnaround, aiming for completion within four years. He also noted that most homeowners choose to manage the reconstruction process themselves rather than use state contractors, and they are given more time and flexibility to complete their projects. Representative Wyble then inquired if there is a list of vendors provided for homeowners who choose manufactured housing and what happens if a homeowner doesn't go through with a contract for a manufactured unit, leaving the vendor with an unsold unit. Mr. Haley responded that homeowners can choose their own vendors and enter into contracts independently. He highlighted a challenge where homeowners must use FEMA funds received for repairs, which can affect the amount they receive from the program. He said that although this issue remains a significant challenge, it is being addressed at

the federal level. He also stated that the program doesn't provide recovery to vendors in unsold unit cases, they would handle it as part of their regular business operations.

Representative Wyble also asked if someone could send specific information about projects in his district, which Mr. Thibodeaux agreed to provide.

Stephen Swiber, Office of the Governor - Resilience, Louisiana State Capitol, no city, state, or zip code provided, spoke for information only and discussed the creation and role of the Office of Resilience within the Louisiana governor's office, which he joined recently. He acknowledged that the office was established at a crucial time with Louisiana dealing with the aftermath of multiple disasters within recent years. The office's primary focus is on long-term resilience planning, which involves a cycle of planning, absorbing, recovering, and adapting to disasters, emphasizing that their role is not about immediate disaster response but about ensuring better preparation for future disasters. He spoke about the office's coordination between various state agencies, federal partners, and local governments to enhance resilience efforts statewide. He also highlighted available federal funding opportunities for resilience projects, encouraging local governments and other entities to apply for these funds, stating that their office can provide letters of support to strengthen grant applications. He concluded by noting the importance of helping rural and under-resourced areas access these opportunities and expressed his office's commitment to advancing resilience planning across the state.

Steve Duke, LA Manufactured Housing Association, 4847 Revere Avenue, Baton Rouge, LA 70808, spoke for information only and emphasized the importance of speed and efficiency in disaster recovery efforts, highlighting past failures, particularly during Hurricanes Katrina and Rita, where trade associations like his were underutilized. He stated working with trade associations could significantly improve disaster response and recovery. Mr. Duke criticized the slow recovery processes and argued that Louisiana could lead in recovery efforts due to its frequent experience with disasters, but it requires better planning and collaboration. Mr. Duke suggested that the committee should engage more with trade associations to streamline recovery efforts and address current issues more effectively.

Candy Forbes, Denham Springs Housing, 1703 Florida Avenue, SW, Denham Springs, LA, no zip code provided, spoke for information only and discussed the significant delays and challenges associated with the Restore Louisiana program, specifically in relation to manufactured housing. She expressed frustration with how long it takes to get people into new homes and shared an example of a customer, a 70-year-old storm victim from Ponchatoula who lost her home during Hurricane Ida. This customer was approved for a grant to replace her home but faced issues due to flood elevation requirements, forcing her to relocate. She leased a lot in a nonflood zone that already had utilities in place but was then subjected to an environmental review, which caused a lengthy delay in the process and significant financial hardship. Ms. Forbes highlighted the inefficiency and lack of transparency in how these reviews are conducted, noting that these delays can keep storm

victims out of their new homes for up to two years. She emphasized the need for improvements in the process to better serve those affected by disasters.

Ross Bourgeois, Bourgeois Homes & Fleur De Lis Home Center, 42238 E. I55 Service Road, Hammond, LA 70403, spoke for information only and expressed concern about the Notice To Proceed (NTP) policy. Initially, the NTP allowed customers three options, which provided some security for dealers, allowing them to either order a home or remove one from inventory upon receiving the NTP. However, midway through the program, policy changed, and the NTP is now seen as merely a confirmation that grant money is available. The requirement for a release was removed, which has caused issues for dealers as they can no longer rely on the NTP to secure deals or manage their inventory effectively.

Ms. Forbes and Mr. Duke went on to discuss issues related to the NTP process in the grant program. Ms. Forbes explained that the NTP was initially a form of security for dealerships, ensuring that contracts were honored. However, changes were made so that NTPs are now addressed only to buyers, not dealers, and include a note encouraging buyers to shop around and get new purchase agreements reviewed by the program. This has led to problems where dealers can put homes in the field without assurance of payment, causing financial losses and frustration. Mr. Duke added that the lack of enforcement means buyers are encouraged to break contracts, leading to significant financial losses for dealers. He also highlighted broader issues, including a stolen check case and inefficiencies in the program, particularly in handling home elevations and contract approvals. He called for reforms to simplify and improve the process, drawing from practices in other states, and urged the Office of Community Development to collaborate on a better plan to expedite housing solutions and better support people in need.

Mr. Bourgeois highlighted several issues with the federal disaster recovery program. Despite significant funding being available, only a fraction has been offered and less than half of that has been dispersed. Another major problem is obtaining approvals for elevating homes that require engineered plans. Mr. Bourgeois stated that he has been trying for over a year to get his first approval for elevated homes but has yet to receive it. He detailed how he has stacks of purchase agreements from customers needing elevated homes but is struggling due to delays and inadequate contractor bids, stating that reputable contractors are not interested in these jobs due to low payment offers from the program, which often fall short of the actual costs. Mr. Bourgeois criticized the program's approach of bargaining for lower contractor bids, noting that it leads to poorly executed work and potential future issues, and stressed the need for reasonable funding and better support to ensure homes are elevated properly and timely.

Representative Dickerson addressed Mr. Thibodeaux and Ms. Campo, emphasizing the need for urgent action and collaboration to resolve ongoing issues. She acknowledged the commitment to address these issues by new leaders in various organizations, despite budget constraints and a lack of funds. Representative Dickerson urged these leaders to work together to improve the lengthy and

problematic process that residents have been enduring, expressing frustration with bureaucratic red tape, and stressed the importance of overcoming these obstacles to better support displaced residents.

Witness cards submitted by individuals that did not speak are as follows: 5 for information only.

Witness cards are included in the committee record.

IV. ANNOUNCEMENTS

Representative Zeringue expressed gratitude for everyone's dedication and service and emphasized the importance of continuing to address current issues and preparing for future disasters. He mentioned that the committee will have more meetings in the future to continue addressing these issues. He concluded that disasters are an inevitable issue in the state and reiterated the need for preparedness to mitigate their impacts.

V. ADJOURNMENT

Representative Wyble offered a motion to adjourn. Without objection, the motion passed by a vote of 7 yeas and 0 nays. Representatives Zeringue, Wyble, Moore, McMahan, Dewitt, Braud, and Dickerson voted yea.

The meeting was adjourned at 2:55 p.m.

Respectfully submitted,

Chairman Jerome Zeringue

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Date adopted: