

House Select Committee on Disaster Recovery

Minutes of Meeting
2024 Regular Session
May 22, 2024

I. CALL TO ORDER

Representative Jerome Zeringue, chairman of the House Select Committee on Disaster Recovery, called the meeting to order at 9:32 a.m. in Room 3, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Jerome Zeringue, chairman
Representative Ryan Bourriaque
Representative Jacob Braud
Representative Jason Brian DeWitt
Representative Kellee Hennessy Dickerson
Representative C. Travis Johnson
Representative Wayne McMahan

MEMBERS ABSENT:

Representative Patricia "Pat" Moore
Representative John E. Wyble

STAFF MEMBERS PRESENT:

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

ADDITIONAL ATTENDEES PRESENT:

Rebecca Marshall, sergeant at arms

III. BUSINESS

To receive updates on information received at the April 5, 2024, meeting regarding disaster recovery housing programs and preparedness for the upcoming hurricane season

Gina Campo, OCD-DRU, no address provided, spoke for information only and presented a PowerPoint, "Update on CDBG Programs, Office of Community Development - Disaster Recovery Unit". Ms. Campo emphasized the agency's commitment to being as responsive as possible within the constraints of existing rules and provided an overview of the agency's current grants, focusing on multiple disaster allocations from 2020 and 2021, including Hurricanes Laura, Delta, and Ida and the May floods. Ms. Campo clarified that while the programs are often viewed as a single effort, each allocation is tracked individually, which can be confusing. She detailed the \$3.2 billion allocation for disaster recovery, explaining that the funds are divided among various programs, and the action plan is submitted to the Department of Housing and Urban Development (HUD) for approval before any spending. The economic development focus is on loans to small businesses, while infrastructure funds support local governments in meeting Federal Emergency Management Agency (FEMA) match requirements and building resilient community infrastructure. Ms. Campo also reported recent updates on expenditure reports and specific program breakdowns by parish, including the Resilient Communities Program and the Watershed Initiative. She highlighted the agency's Restore Louisiana housing program, which has disbursed over \$250 million so far. The program has offered nearly 12,000 grant awards and made over 47,100 disbursements.

Representative Zeringue asked for clarification about the manufactured housing repair and replacement program. Specifically, whether the 60-66% fulfillment rate mentioned refers to the applications currently being processed or if it represents all eligible applications that have been received. Ms. Campo explained that out of the total 25,701 invited applicants with FEMA-verified losses, about 9,000 of them were for Manufactured Housing Units (MHUs), representing 35% of the total. Representative Zeringue asked about the accuracy of the graph showing that 66% of grant awards had been offered to MHU applicants. Ms. Campo confirmed its accuracy. Representative Zeringue then inquired about the remaining 33% of applicants who had not yet accepted their grants. Ms. Campo responded that these delays often occur because MHU applicants need to secure a purchase agreement with a dealer before their grant can be accepted, causing a lag in the process.

Jeff Haley, OCD-DRU, Lasalle Building, no city, state, or zip code provided, spoke for information only and clarified that the 66% of MHU applicants offered grants represents the bulk of the program, with only 4% still awaiting an offer or a determination of eligibility and mentioned these cases should be resolved within the next month. While there are some applicants marked as "inactive offer", they may still complete the process or be moved to ineligible status as the program progresses.

Ms. Campo highlighted a major challenge in the disaster recovery process, the issue of Duplication of Benefits (DOB). When applicants have received funding from FEMA, the Small Business Administration, or private insurers, that money must either be provided upfront to the program or deducted from their grant award, which often leaves applicants with less funding and potentially forces them to cover additional costs themselves, particularly for MHUs. Ms. Campo noted that DOB is a significant legislative and federal hurdle that complicates the program's ability to help those in need. Representative Zeringue acknowledged the difficulty, emphasizing the importance of

addressing DOB legislatively, and noted that the challenge lies in ensuring funds are used correctly without leaving the program liable.

Representative C. Travis Johnson asked for clarification on whether business income needs to be reported on disaster recovery applications for those with manufactured homes. Ms. Campo explained that business income doesn't affect residential disaster recovery grants, but if a person received a Small Business Administration (SBA) loan for their home, that would count as a DOB for the residential recovery program. She also stated that SBA loans for business damages wouldn't affect the residential recovery program but might be considered a DOB in the small business loan program. Representative C. Travis Johnson emphasized the importance of distinguishing between business and personal funds to avoid legislative or federal issues. Ms. Campo confirmed there is no crossover issue between commercial and residential programs.

Ms. Campo went on to provide an overview of Louisiana's disaster recovery efforts compared to other states affected by the 2020-2021 storms, highlighting that Louisiana received \$3.2 billion of the \$6 billion allocated and has outpaced other states like Florida, Oregon, and Alabama in getting HUD approval and disbursing funds. She also stated that Louisiana has already distributed \$366 million out of \$422 million disbursed across all states, showing the state's efficiency in moving quickly despite challenges. Ms. Campo also discussed the complications related to DOB and the need for environmental reviews when relocating MHUs, even within the same property. She noted that 16% of the MHU grant recipients have requested to move their units, which triggers an environmental review, adding to the timeline. Representative Zeringue acknowledged the importance of collaboration and emphasized the need for quick information sharing to aid constituents during pending disasters. Ms. Campo agreed, reiterating the importance of partnerships in disaster recovery efforts.

Representative Bourriaque expressed appreciation for seeing the data on relocation requests, noting it helps clarify misconceptions about people's intentions to stay or relocate. He then asked if applicants purchasing an existing home, particularly those moving further inland, are still required to undergo an environmental review through the Restore Louisiana program. Ms. Campo confirmed that even if they're relocating to an existing structure, an environmental review is still required, though it would likely be categorically excluded from more extensive review processes.

Representative Zeringue and Ms. Campo continued discussing the challenges and efforts in managing the environmental review process for MHUs. Representative Zeringue acknowledged that delays are partly due to the limited number of qualified reviewers, which is beyond their control, but suggested expediting the process. Ms. Campo explained that the review process involves multiple steps, including routing through environmental and legal teams before her final sign-off, which adds to the timeline. Despite efforts to streamline the process through weekly program management meetings, where they track individual cases closely, federal legislation is needed for a long-term fix. Ms. Campo also shared that they have completed 701 environmental reviews, with the majority taking less than 30 days, and that her team has increased communication with MHU dealers, holding regular calls and

addressing issues directly. She said they've also implemented policies to clarify costs for elevation above nine feet, reducing the need for exception reviews.

Steve Duke, LA Manufactured Housing Association, P.O. Box 80029, Baton Rouge, LA 70898, spoke for information only and acknowledged that since the last meeting in April, communication has significantly improved, leading to faster progress and better care for consumers. Mr. Duke praised the actions taken since then, noting that the contractor is now on board and things are running much more smoothly.

Neal Fudge, GOHSEP, 7667 Independence Boulevard, Baton Rouge, LA 70806, spoke for information only. He explained that he is attending on behalf of Director Thibodeaux, who was attending a hurricane preparedness workshop elsewhere in the state. He said that the noncongregate shelter program, which had over 5,000 units after Hurricane Ida, is now down to fewer than 500, with 173 still housing people. He noted that although the program ended on April 30th, they continue to find housing for those remaining and deactivated units, noting that these efforts are crucial for future evacuation and sheltering plans.

Representative Zeringue asked Mr. Fudge about the progress of a plan discussed with Director Thibodeaux where homeowners might be allowed to acquire their temporary housing units. Mr. Fudge confirmed they received an attorney general's opinion a few weeks ago and are now setting up a process which involves assessing the fair market value and reducing it by the cost of recovering the trailer, making it more affordable for the individual. He mentioned that the plan will be implemented soon.

Representative Bourriaque expressed surprise at learning that the cost to establish a single FEMA temporary housing unit is \$160,000, not including ramps. Mr. Fudge acknowledged the high costs but clarified that the state's noncongregate sheltering program, using state-purchased trailers, is different and less expensive, though still costly.

Mr. Fudge provided updates on housing numbers from recent hurricanes, noting the current and peak figures for hurricanes Ida, Delta, and Laura. He also discussed pre-hurricane season preparations, including workshops with parishes, collaboration with FEMA, and improvements to the Louisiana Wireless Information Network (LWIN) for better disaster communication. He noted that, additionally, they have purchased 150 Starlink units and provided \$800,000 to parishes to enhance communication and infrastructure resilience.

Representative Zeringue inquired about the funding for the LWIN, noting that he didn't see a funding request for it in the current legislative session, while acknowledging that significant funds were allocated last session and asked if the system is where it needs to be and whether there are sufficient funds to complete it. Mr. Fudge stated that he hopes the requested funds for the LWIN were included, as additional money was allocated for more towers to improve state coverage. He mentioned that nine new towers were requested and that he would confirm the funding.

Mr. Fudge went on to outline the ongoing work across the emergency management cycle, including prevention, preparation, response, recovery, and mitigation. He noted that since January, they've managed 12 disasters or events. He discussed preparedness efforts in Region 3, ongoing recovery from past hurricanes like Katrina, and continuous mitigation improvements. Mr. Fudge also mentioned working with the Water Institute on better disaster modeling, which will help in future responses. He concluded by saying they aim to complete regional workshops by mid-June to finalize plans and address gaps for better disaster response.

Representative Bourriaque expressed appreciation for the Governor's Office of Homeland Security and Emergency Preparedness' (GOHSEP) efforts in training local directors and preparing them for storm events. He also requested that Director Thibodeaux ensure that pre-approved disaster debris collection sites and contracts are acknowledged and used during emergencies, rather than having to prove their validity under pressure, and emphasized that the preparation done by local parishes should be respected and maintained. Mr. Fudge responded by noting that GOHSEP is working to be more proactive, including conducting exercises and facilitating discussions with affected parishes to improve coordination and implementation. He acknowledged the importance of detailed, on-the-ground discussions to ensure smooth operations during emergencies.

Witness cards submitted by individuals that did not speak are as follows: 1 for information only.

Witness cards are included in the committee record.

IV. ANNOUNCEMENTS

There were no announcements.

V. ADJOURNMENT

Representative Bourriaque offered a motion to adjourn. Without objection, the motion passed by a vote of 5 yeas and 0 nays. Representatives Zeringue, Bourriaque, Dewitt, C. Travis Johnson, and McMahan voted yea.

The meeting was adjourned at 10:26 a.m.

Respectfully submitted,

Chairman Jerome Zeringue
House Select Committee on Disaster Recovery

Date adopted: