

Congress of the United States

Washington, DC 20510

April 29, 2022

The Honorable Rosa DeLauro
Chairwoman
House Committee on Appropriations
H-307 The Capitol
Washington, D.C. 20515

The Honorable Kay Granger
Ranking Member
House Committee on Appropriations
1016 Longworth
Washington, D.C. 20515

The Honorable David Price
Chairman
House Committee on Appropriations
Subcommittee on Transportation, Housing,
and Urban Development
2358-A Rayburn House Office Building
Washington, D.C. 20515

The Honorable Mario Diaz-Balart
Ranking Member
House Committee on Appropriations
Subcommittee on Transportation, Housing,
and Urban Development
1036 Longworth House Office Building
Washington, D.C. 20515

Dear Chairwoman DeLauro, Ranking Member Granger, Chairman Price, and Ranking Member Diaz-Balart,

As you develop the Fiscal Year 2023 Transportation, Housing, and Urban Development Appropriations bill, we respectfully request that you appropriate at least \$45 million for the Department of Housing and Urban Development's (HUD) Community Development Block Grants-Disaster Recovery (CDBG-DR) program for victims of Hurricane Harvey that were previously and inappropriately barred from receiving these funds.

Almost five years ago, Hurricane Harvey devastated the Gulf Coast region, its nearly 60 inches of rain and related flooding claiming 68 lives and causing an estimated \$125 billion in damage. For Houston and Harris County, this destructive storm was the third 500-year flood event in three years, following significant rain events in 2015 and 2016. And across the region, more than 300,000 homes and businesses flooded and 40,000 people evacuated or were forced to take refuge in shelters.

After the Disaster Declaration for Hurricane Harvey, the federal government offered much-needed disaster aid. While several Texans qualified for FEMA assistance, those who were denied FEMA relief were offered a low-interest, direct loan through the Small Business Administration (SBA) to jump-start disaster recovery. Businesses, nonprofits, homeowners, and renters used these loans to repair or replace property damaged in this devastating storm, allowing them to begin the recovery process and return to their homes and work as quickly as possible. Loan applicants received these funds with the understanding and assurance from SBA that the loans would not disqualify them from CDBG-DR grants from HUD. They later learned, however, that a duplication of benefits rule disqualified their grant applications.

Paradoxically, if these loan applicants had taken private loans, likely at higher interest rates, instead of low-interest government loans, duplication of benefits would not have been an issue. Members of our community were, in effect, punished for using much-needed government resources in a time of crisis.

In June 2019, HUD amended this duplication of benefits rule to ensure that Texans who received an SBA loan after Harvey would be eligible for CDBG-DR funding. Although this rule changed, no additional funding was appropriated. The following year, Congresswoman Lizzie Fletcher and Congressman Dan Crenshaw introduced an amendment to H.R. 5687, the *Emergency Supplemental Appropriations for Disaster Relief and Puerto Rico Disaster Tax Relief Act*, that provided \$45 million for CDBG-DR grants for these eligible Texans. While the amendment was included when this bill passed the House, the Senate did not vote on this legislation.

We ask that the Appropriations Committee and Transportation, Housing, and Urban Development Subcommittee provide at least \$45 million to make this right for our constituents, many of whom are still recovering from the effects of Hurricane Harvey after nearly five years. They put their trust in our federal agencies to help them recover from this historic storm and have been delayed through no fault of their own.

Thank you for your attention to this request. We look forward to working with you to ensure Texans receive the resources they deserve and have been waiting for since August 2017. Should you have any questions or require further information, we would be glad to assist in this effort.

Sincerely,



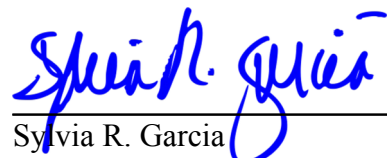
Lizzie Fletcher
Member of Congress



Dan Crenshaw
Member of Congress



Al Green
Member of Congress



Sylvia R. Garcia
Member of Congress

A handwritten signature in blue ink that reads "Sheila Jackson Lee". The signature is written in a cursive style with a large initial "S".

Sheila Jackson Lee
Member of Congress