

**RECOVERING FROM SUPERSTORM SANDY: ASSESS-
ING THE PROGRESS, CONTINUING NEEDS AND
REBUILDING STRATEGY**

HEARING
BEFORE THE
SUBCOMMITTEE ON
HOUSING, TRANSPORTATION, AND COMMUNITY
DEVELOPMENT
OF THE
COMMITTEE ON
BANKING, HOUSING, AND URBAN AFFAIRS
UNITED STATES SENATE
ONE HUNDRED THIRTEENTH CONGRESS
FIRST SESSION
ON
CONTINUING TO ADDRESS THE NEEDS OF THE PEOPLE DEVASTATED
BY SUPERSTORM SANDY, THE STATUS OF RECOVERY AND REBUILD-
ING WORK, AND THE HURRICANE SANDY TASK FORCE'S REBUILDING
STRATEGY REPORT

SEPTEMBER 18, 2013

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RECOVERING FROM SUPERSTORM SANDY: ASSESSING THE PROGRESS, CONTINUING NEEDS AND REBUILDING STRATEGY

WEDNESDAY, SEPTEMBER 18, 2013

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
SUBCOMMITTEE ON HOUSING, TRANSPORTATION, AND
COMMUNITY DEVELOPMENT
Washington, DC.

The Subcommittee met at 10:35 a.m. in room SD-538, Dirksen Senate Office Building, Senator Robert Menendez, Chairman of the Subcommittee, presiding.

OPENING STATEMENT OF CHAIRMAN ROBERT MENENDEZ

Senator MENENDEZ. Good morning. This hearing of the Housing, Transportation, and Community Development Subcommittee will come to order.

Let me thank our witnesses, Secretary Donovan and Administrator Rogoff, for appearing. We appreciate the insights you will be able to lend us.

Today, we look back at Superstorm Sandy, the devastation it caused, the status of recovery efforts and what lies ahead for the families of my State and every State that felt the impact of the storm and that might face similar challenges in the future.

We are pleased to have with us Shaun Donovan, the Secretary of Housing and Urban Development, and Peter Rogoff, the Federal Transit Administrator for the Department of Transportation, to help us look back at the Federal response, help us assess the progress we have made in implementing a rebuilding strategy and address what still needs to be done. And let me just say, from the Chair's own perspective, they have done a remarkable job in not only helping us rebuild but also in addressing key vulnerabilities.

Secretary Donovan has ably led the President's Hurricane Sandy task force, help coordinate the Federal response and recently publish the Hurricane Sandy Rebuilding Strategy Report with 69 recommendations to make sure we are not as vulnerable when the next storm comes.

Administrator Rogoff has led the FTA in standing up the Public Transportation Emergency Relief Program created by this Committee just before the storm in MAP-21. Public transportation is essential to the region, and the Administrator has helped us get service back to pre-storm levels and is now helping the region come back stronger than ever.

As we convene today, it is hard to believe that we are approaching the 1-year anniversary of Sandy. It was October 29th when the hurricane made landfall in southern New Jersey; 159 people lost their lives; 8.5 million customers lost power; more than 650,000 homes were damaged or destroyed; hundreds of thousands of businesses were forced to close from a storm that caused an estimated \$65 billion in economic lost and resulted in declarations of emergencies or disasters in 13 States up and down the East Coast.

In a matter of moments, people lost loved ones; they lost their homes, their property, their possessions, the cherished photographs and keepsakes of a lifetime, but they stood strong and began to rebuild.

For 10 days, millions along the East Coast lived without power, without phones. There were seniors stranded on the upper floors of buildings where elevator service was out. The loss of power led to fuel shortages and long gas lines. We remember all too well the images of destruction and human suffering in the aftermath of Sandy.

But Federal, State and local officials and thousands of first responders acted quickly. Congress took a little longer, but at the end of the day Congress passed—and the President signed into law—two pieces of emergency response legislation, temporarily increasing FEMA's borrowing authority by \$9.7 billion and a providing a \$50 billion relief package for families to get the help they needed to rebuild their lives, their homes and their businesses.

We have learned two important lessons since October of 2012. What you and your agencies have realized and what the task force has documented first is that we were more vulnerable than we had thought, and second, that the next time and the next storm we must better prepared.

I think all of us are more determined than ever, having seen what can happen, to make absolutely certain that it will not happen again, that we will never be that vulnerable again.

And let me add—as we continue to recover from one of the worst natural disasters to hit our Nation, we need to be careful not to impose a man-made disaster in the form of unaffordable flood insurance premiums on those who have already lost so much. We need to ensure that reforms to flood insurance are done carefully and do not create an additional obstacle to recovery and growth. And we need to ensure that homeowners have the resources they need to elevate their homes and to take other mitigation steps so that they can both limit the damage caused by future floods and keep their insurance premiums affordable.

We need to make sure that we come back stronger than before and better prepared. It will not be easy. There are always more obstacles and more unexpected events that make recovery difficult.

Last week, just as business was recovering on the new boardwalk in Seaside Park and Seaside Heights, a devastating fire destroyed what just had been rebuilt. And our hearts go out to those who have suffered so much in the last year and now face another effort to rebuild.

So, again, I want to thank you both for taking time from your busy schedules to give us a progress report.

I will say that not everything is great. There are people still hurting. As I travel my State, I get a real clear sense that there

are still families challenged. And, while we have made a lot of progress and we should be proud in that progress, it would be wrong to believe that we have overcome all of the challenges that were created by Superstorm Sandy.

Senator Schumer, would you like to say a few words?

STATEMENT OF SENATOR CHARLES E. SCHUMER

Senator SCHUMER. I would like to say a brief few words, Mr. Chairman.

Senator MENENDEZ. Sure. Absolutely.

Senator SCHUMER. I agree with your comments.

First, I want to thank you, Secretary Donovan, for all the work you have done in leading the Sandy recovery task force, working closely with the Congress, working closely with our State and local officials to rebuild New York and Long Island as well as New Jersey and the other areas impacted by Sandy. You have done a tremendous job. I do not think there could have been a better person to step into the role you have filled and provide the leadership you have provided since October 29th.

Of course, I also have great praise for Peter Rogoff, who I knew when he worked on this side of the executive-legislative branch amalgam, and he has done a great job there, and he has done a great job here.

What I wanted to say to you, though, Secretary Donovan, is I owe it to you and most of all to the people of New York to just convey the frustration so many homeowners are feeling.

We passed a bill back in January with your able assistance, and HUD allocated the initial tranche of money within 8 days of the bill passing. That is a record response time. You deserve the credit for that.

But now, here we are nearly a year after Superstorm Sandy, and the most consistent question I get from my constituents is why they have not yet been able to receive either funding or reimbursement for the \$16 billion—funding for those who are waiting and have not been able to rebuild their homes, reimbursement for those who were able to lay out the money and are looking for the reimbursement. They are still in an economic bind.

So why they were not able to see receiving the funding or reimbursement from the \$16 billion of community development block grant programs in the Sandy supplemental bill?

As we both know, as we all know, the initial FEMA recovery funding for individuals cannot help most of the Sandy victims entirely rebuild their homes or fill the void that private insurance does not cover. The FEMA limits are low in an expensive area like New York and New Jersey, particularly problematic to filling the whole problem, and that is why we passed a robust CDBG program in the legislation.

I know that the administration of these funds is largely a State or city function. I understand that. But we need to work together to make sure that we can do everything we can to get this crucial aid out the door and in the hands of homeowners and businesses more quickly.

We need to make sure that we have learned important lessons about how to streamline the process so that when the second

tranche of funds is announced we do not run into as lengthy, or the same kind, of delays we have experienced with the first.

I know you will take that under advisement because you are conscientious, capable public servant, but it is really important, and it is really bugging our people.

With that, Bob, I am finished with my statement.

Senator MENENDEZ. Thank you, Senator Schumer.

Your full statements will be included in the record. We would ask you to summarize them.

And, with that, Secretary Donovan, please proceed.

STATEMENT OF SHAUN DONOVAN, SECRETARY, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Secretary DONOVAN. Chairman Menendez, Senator Schumer, thank you for having me here today to discuss the critical ongoing work to rebuild the region impacted by Hurricane Sandy.

Thank you, more importantly, for both of your leadership in getting the supplemental passed and in being vocal and persistent advocates for the people that you serve in New Jersey and New York.

Since February, I have had the honor to chair the Hurricane Sandy Rebuilding Task Force and help rebuild my home region. I have met with small business owners who had to shut their doors. I have talked with homeowners who have lost everything. And I have visited with families who are going through incredible pain, including a friend who lost his daughter to the storm.

This kind of pain has been experienced across the region. Sandy alone caused tens of billions of dollars in damage and killed over 150 of our fellow citizens.

The storm required close coordination between Federal, State and local officials, and working together, we organized a massive and coordinated response with over 17,000 Federal responders on the ground within 7 days of Sandy striking the coast.

The unique scale of the storm also required an additional level of cabinet-level coordination to support long-term rebuilding in the region. So the President created the Hurricane Sandy Rebuilding Task Force. He charged us to work with State and local leaders in the region to cut red tape and get relief to communities quickly and effectively and to develop a rebuilding strategy for the region.

I am proud to say that we delivered the strategy to the President on schedule and under budget—25 percent under budget, in fact. But, more importantly, I am proud of the work we have done to get assistance to communities struggling to get back on their feet.

As you know, you all not only fought for that funding, but you had the foresight to include several measures in the supplemental that facilitated more efficient spending of these dollars, for example, giving HUD the authority to reduce duplicative environmental reviews.

As a result of these provisions and the work we have done cutting red tape, to date, FEMA and SBA have served over 270,000 households and individuals and almost 4,000 businesses and 99.5 percent of Sandy-related national flood insurance policy claims, totaling over \$7.8 billion, have been paid out.

As a result, we are making real progress. Just one example—97 percent of the beaches from New Jersey to Connecticut had reopened by Memorial Day.

We also recognized early on that we needed to make every dollar count and do everything we can to ensure these dollars are being used as intended. That is why we set up a program management office to track this spending and share that information with you and with the public. In fact, we posted our first round of information about supplemental spending on HUD's Website on August 20th, and we will update that information monthly.

It is also important to note that the Sandy supplemental was not just focused on this region. We have also allocated hundreds of millions of dollars in supplemental funding to 16 States still recovering from Sandy and other recent disasters.

This work—streamlining assistance to families, homeowners, small businesses and communities, and working to minimize waste, fraud and abuse—has been a critical piece of the task force work to date.

But, as you have both pointed out, recovery is never fast enough. And so we have much work to do that is ahead of us, and we will continue to do that work until we get the job done. Billions of dollars in supplemental funding continue to flow into the region—funding that will help more families, businesses and communities rebuild.

In addition to cutting red tape, the task force's other goal was to ensure this funding was used in a way, as you said, Chairman Menendez, that would help communities rebuild stronger so they are better prepared to withstand future storms. On August 19th, the task force released our rebuilding strategy for the region, which included 69 recommendations to help do just that. It included steps to harden our power grid and our fuel supply chain, to address the sustained outages and gas lines we saw during Sandy, and steps to help families and small businesses rebuild stronger and smarter.

The strategy's focus is on long-term rebuilding in the region because larger-scale infrastructure projects, which are crucial for the region's protection and for its economy, will be built over a period of years, not months.

The strategy also identifies ways to leverage additional private funds to support infrastructure projects and ensure projects are coordinated across agencies and geographies.

Investing in projects that will make our communities more resilient is vital to their safety and to protecting our investment in them. It is also good economic sense. We know that for every dollar we spend in mitigation we save \$4 in avoided costs in the future.

Every recommendation in this strategy will have a detailed implementation plan, and I and the Administration will be accountable to the region and to you to see them through.

Over the past 11 months, we have made real progress in the Sandy-impacted region, but as you and as you have said, more work remains, not only to get families and businesses back on their feet, but ensure the entire region is better prepared for future extreme weather events.

The rebuilding strategy is a crucial step in the process and will also serve as a model for other regions addressing similar chal-

lenges. I look forward to discussing it more in depth with you today and in answering your questions.

Thank you very much.

Senator MENENDEZ. Thank you, Mr. Secretary.

Mr. Administrator.

STATEMENT OF PETER ROGOFF, ADMINISTRATOR, FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

Mr. ROGOFF. Thank you, Mr. Chairman. Thank you, Senator Schumer. And thank you for inviting me today to highlight the Federal Transit Administration's role in responding to Hurricane Sandy nearly 1 year ago.

This historic storm triggered the worst public transit disaster in the history of our Nation. Hurricane Sandy disrupted more than half of our Nation's transit service at the height of the storm and impacted more than one-third of the Nation's ridership in the days that followed the storm. So, from the perspective of the FTA, this was a national disaster, not a regional disaster.

I would like to highlight the extent of our role at the FTA in assisting with recovery efforts and our plan to make transit infrastructure more resilient in the future.

Within days of the storm, FTA sought and received two mission assignments from FEMA that allowed our two agencies to work side by side to evaluate the situation and conduct preliminary damage and cost assessments right away. This was a new level of partnership between the FTA and FEMA, and it served us all very well. The early legwork quickly built the case for a responsible Federal aid package which you two Senators championed through the Senate and has proven to be very successful at aiding in the recovery.

In the immediate aftermath of the storm, we worked with the region's transit agencies to restore essential transit service to the public. For example, we helped the Port Authority of New York and New Jersey secure essential parts, like power circuit breakers which we scoured around the country and found in Chicago, so we could reconnect the PATH rail service between New Jersey and Manhattan. In New Jersey, we worked with FEMA to procure 350 buses to temporarily replace lost rail service, enabling commuters to access jobs in Hoboken, Weehawken and Jersey City, and we ran express buses into Manhattan. These are just two of many instances where we worked tirelessly with our transit partners to find short-term solutions to restore service for as many people as possible as quickly as we could.

Then in the span of just 16 weeks, beginning 1 week after President Obama signed the Disaster Relief Appropriations Act into law, FTA successfully allocated a total of \$5.7 billion for critical Sandy recovery and resiliency work.

To date, we have committed more than half, approximately 55 percent, of the available funds appropriated by Congress, which was, of course, reduced as a result of sequestration by some \$545 million. So, in reality, we have made available more than 70 percent of the estimated costs for all the response and recovery needs.

These early accomplishments were made possible by the FTA's new Emergency Relief Program. The Obama administration first proposed this program in our budget for fiscal year 2012 because we needed a mechanism to provide timely disaster assistance to transit agencies on par with the assistance that DOT provides to State highway departments through the Federal Highway Administration.

The ERP, as you pointed out, Chairman Menendez, was enacted just weeks before Hurricane Sandy hit, and we are very thankful that it was because it has more than proven its worth and has allowed the FTA to respond in a manner that is a model for all Federal disaster assistance.

I want to thank you, and especially this Committee, for supporting our proposal in MAP-21. It has served us all well.

I do need to point out, however, that with hurricane season again upon us, the Congress needs to know that while the President's budget for 2013 and 2014 each sought \$25 million for the ERP, Congress has yet to appropriate any of these funds. What this means is that the only emergency relief funding we have at the FTA currently must, by law, be used exclusively for Hurricane Sandy. I strongly urge Congress to provide the funds requested for the national ERP program so FTA can be in a position to respond to the next transit emergency when it happens.

FTA has set aside nearly one-third of the total Sandy funds allocated to help transit agencies begin investing in resiliency projects so their trains and buses, stations and subway tunnels are better able to withstand future disasters and floods. This was an elemental part of the President's proposal that he transmitted back in December.

Taxpayers should not be asked to pay for the restoration and recovery of public transportation assets a second or third time. And, certainly, the transit riders of New York and New Jersey in particular should not have to put up with the stress, the cost and the inconvenience of having the same transit facilities destroyed one storm after another.

Many of you know that some of the very same transit assets that were flooded in Hurricane Sandy had been flooded just 1 year prior during Hurricane Irene. Importantly, Hoboken Terminal, an absolute critical intermodal hub for New Jersey passengers—Federal taxpayers had already put \$200 million into the restoration of that excellent facility. We will now, as a result of the storm, put several million more into a second restoration of the facility.

This is the kind of thing we are looking at when we identify the priorities for resiliency funds.

Going forward, FTA's first and highest priority for fostering resiliency among transit systems is to better protect existing transit facilities and equipment from the impact of the next disaster. We are confident that the funds set aside for the recovery, along with local matching funds and insurance proceeds, will be sufficient to meet all of the recovery and restoration needs of the region.

In the weeks to come, FTA will issue a notice of funding availability for capital projects that reinforce critical transportation infrastructure in the region impacted by Hurricane Sandy. Awarding these funds will help ensure that the best and most important

projects are put forward. Our process for awarding these dollars will be informed in part by the recommendation of the Sandy task force just discussed by Secretary Donovan in their report which was issued in August.

In particular, there are a number of recommendations that relate to coordination that will be very important. If we do not have a coordinated regional response, we could have investments that protect one rail yard against rising waters only to flood a neighboring rail yard that may serve even more passengers.

So Secretary Donovan has done the President, his Federal partners and the whole region a great favor in putting together this interagency task force because it has given rise to recommendations that I think will infuse all of our processes going forward.

Mr. Chairman, Members of the Committee, that concludes my statement. I will be happy to answer any questions.

Senator MENENDEZ. Thank you, Mr. Administrator.

Mr. Secretary, you know, the challenge of a natural disaster is one thing. The challenge of a potential man-made disaster is another. And, in that respect, as homeowners are trying to recover, they face an ominous specter of rising flood insurance premiums that threatens to force them out of their homes.

They are facing a triple whammy.

First, the storm came and devastated their lives.

Then updated flood maps came online, and thank God, through the intercession of a lot of us who said, wait a minute, these seem overly broad—I know from the New Jersey experience. We had V zones that were so wide. And then when we met through you and FEMA and others, we finally got those tailored to where their real V zones are because that would have dramatically made it almost impossible for many owners in that property area to be able to recover.

But then, you know, the third part of this is that they are seeing flood insurance premiums and their subsidies begin to rapidly displace.

Now I understand the necessity of making the flood insurance program fiscally solvent. I understand the challenges of repetitive loss properties. I get all of that.

But what I do not get is creating a process that is so driven in the up-front part that ultimately puts at risk the essence of the very recovery for which we have spent enormous amounts of taxpayer dollars and which has a consequence of taking middle-class families and making their home, which is their biggest savings in life, ultimately, potentially vanish as a result of it and lose their values because with those types of high flood insurance premiums the resale value, obviously, is affected, which also affects property values within the overall community.

So isn't it—and it will be interesting. This Committee—one of its subcommittees is having a hearing later on what is known as Biggert-Waters and the reform that took place in flood insurance.

And some of my colleagues who were the biggest advocates of saying there should be no subsidy by the Federal Government now are complaining. They are the ones who actually drove the situation in which we ended up with either a vote for something that at least sustained the flood insurance program versus killing the

flood insurance program, which would have wreaked havoc in the real estate market and for homeowners.

But they drove a circumstance that was, in my perspective, disproportionate in terms of the consequences to homeowners, and now they are complaining about it. I cannot wait to go to that hearing.

So, having said that, do you not agree that the lack of affordability for flood insurance programs can be a potential obstacle for recovery in community-wide levels?

Secretary DONOVAN. There is no question that this has been one of the most critical issues that we have heard on the ground from homeowners, from small businesses, and that there is real—and I think genuine—concern about this issue.

I would really say there are three things that are critical for us to do here, Senator.

One, we have got to proceed with the critical investments in elevating homes, making homes and businesses safer for the next storm, which not only will save lives and help communities but also, frankly, lower substantially flood insurance rates. And that is obviously happening as part of the investments through the supplemental.

Second—and this is something that you both made very clear points to me about over time—too often the system is set up for communities that are not urban. You know well the buildings you showed me in Hoboken that cannot be elevated. The brownstone that I used to live in, in Brooklyn, cannot be elevated.

And so one of the things that we are moving forward on, based on the task force recommendations and your input, is to give more credit in the flood insurance program. We are running a pilot to do this that is really looking at—if you elevate your mechanical systems, if you flood-proof your home rather than elevating it, how do we recognize that better in the flood insurance program?

So that is a second area.

And then, third—and this really—when Biggert-Waters was passed, the Administration in its statement about the bill said we should be providing affordability mechanisms that are not in the bill today.

And we continue to believe—and you will hear this, I am sure, from Craig Fugate today, but we believe, strongly stated in the strategy, that we stand ready to work with Congress to find affordability provisions that will insulate those vulnerable families, low and moderate income families who simply cannot afford these, from the worst impacts of that. That is something that Congress ought to do quickly because, as you rightly said, as these new flood maps are going into effect, it will start to have these impacts right away.

Senator MENENDEZ. Yes, well, the affordability question is an essential question for recovery and for preservation of homes as well as for real estate issues overall.

Let me just stress one other area. I have a whole host, but I am going to yield to Senator Schumer in a moment.

The other question is—and I know that some of this—I assume. Maybe I am not right, and correct me if I am wrong.

A large part of this was devolved to the States as well. But if I hear as I travel the State about the question of I did not get my

money fast enough, or I still have not received the efforts to—I mean the monies necessary to help me.

Delays in getting funding—which I think the task force recognized in the rebuilding strategy and included some very high-level discussions of work to get aid into people’s hands faster without sacrificing strict and thorough oversight to protect against fraud.

Can you talk about what some of those challenges are—because I still hear it today, nearly a year later, and I think Senator Schumer may as well back in New York, as well as others, that we still have people finding the challenges of getting access to these resources to be able to rebuild their lives even nearly a year later.

Secretary DONOVAN. There is no question that while we have made progress there are still many things that we can do, both administratively and also legislatively, to speed up the process of getting help to families.

And let me just be clear. We now have both in New Jersey and in New York thousands of homeowners and renters that have been approved for assistance. The money is beginning to flow.

Hundreds of businesses—there has been less sort of sign-up. And I think we need to do more outreach to businesses to try to make sure that those who do need help are actually coming in. They have been in the hundreds, rather than thousands, of applicants for those programs, both in New York and New Jersey. So outreach is important here.

But let me really go through the three major categories here.

First of all, on housing, you know this well. I think FEMA did a very good job of getting the initial assistance out quickly. But, as Senator Schumer pointed out, it is not enough. Thirty thousand dollars roughly, particularly in this region, is not enough.

Many issues around insurance, both flood insurance and homeowner’s insurance—and there, what we did—one of the huge problems was we had dozens of different policies for different lenders on how to do this.

We brought together Fannie Mae, Freddie Mac, FHA, and we have now established—and some of this helped in Sandy; some of it, frankly, will help in the next storm but did not help in Sandy—a single consistent policy around insurance disbursements.

And, frankly, FEMA now has a plan to add insurance adjusters and others into a region that was so dense, like Sandy, the next time we have a storm.

So there are lessons we have learned that we can be faster on the insurance.

And then the CDBG, as you know, is the gap-filler, right? And many of the problems that we have are what we call duplication of benefits. Can we figure out what complies and what did not?

I will tell you there was a lot of confusion about past policies, and we had to go in and do things like say: No, no, no, you do not have to have applied for SBA to get help as a business. You do not have to stop work on your renovation if you are paying for it, if you are paying for it yourself, if it is already started, if you have hired a contractor because the environmental reasons.

There are just many, many complexities, some of which, frankly, ought to be there because it will ensure that the money is spent well, but there are others that, frankly, we can continue to change.

And we would be happy to work with you on which of that is legislative. A lot of it is administrative, and we can do better.

And I give you a lot of credit for giving us more flexibility on CDBG.

Senator MENENDEZ. I agree, but when you make the statement, money is beginning to flow, when people are looking at nearly a year after the storm and money is beginning to flow, it speaks why we need to find a process that is safe and secure in terms of making sure that there is not fraud, but by the same token an expedited process to achieve the goals.

Senator SCHUMER.

And I would just agree with both of Senator Menendez's comments.

Flood insurance—these pilot programs are great, but if you are a homeowner and they are asking you for 9,000 bucks and you cannot afford it, saying 3 years from now there may be some pilot program that figures out how to raise my house or put up a barrier and lower my flood insurance does not do them much good.

We will have this, this afternoon, but the flood insurance bill, the law, the Biggert-Waters, said they were not going to implement until there was an affordability study. They have implemented it without an affordability study.

We have got big problems there, OK.

And, second, on just what Bob said, I said in my opening statement. We understand all the problems. There are different sources of dollars. Obviously, if you give people more money than they should get, then people will get whacked for it, as proper. On the other hand, it has flowed very slowly for the people who are waiting and waiting and waiting, who do not have huge resources.

For governments, it has worked better because they can borrow and get reimbursed. It is a lot harder for a homeowner to do that.

Having said that, I know you will give it your best effort. I really appreciate that.

I have a couple of questions for Administrator Rogoff, and then maybe I will return back to Secretary Donovan.

My first question is about the four critical East River Tunnels that transport hundreds of thousands of Long Island Railroad passengers. They sustained severe damage in Sandy. One month after the storm, over 50 rush hour trains were still not in service, leaving thousands of people stranded, trains packed to the gills and people not getting to work. It is our lifeblood to get people on and off Manhattan Island. Loads of people from Long Island work there, as well as people from the outer boroughs.

And the MTA and Long Island Railroad commuters have long complained, as I have, that we need to do a better job maintaining the East River Tunnel structure. And I hope Hurricane Sandy, which dealt a real blow, was a final wake-up call. We no longer have any time to waste.

These tunnels are a lifeline to Long Island. They help fuel the Long Island economy and the metropolitan area economy. You know, some several hundred thousand people on Long Island work in Manhattan and New York City. And, if these tunnels get blocked, which they do, people do not get to work; people get there

late to work; businesses even think of not locating because they cannot get their workforce.

So the tunnels, as I said, are a lifeline, allowing hundreds of thousands to earn a living, day-in, day-out. They must be protected.

So it is my understanding that Amtrak and the MTA are working cooperatively right now on a resilience plan for the East River and Hudson Tunnels, and the plan has two parts.

First, it would seal off the West Side Yard and the Long Island City Yard from hurricane-level storm surges to prevent water from inundating the Hudson and East River Tunnels, respectively.

And, second—and this one is of great importance—it would install high-density signaling in the East River Tunnels. We have had huge problems with the signals there and delay after delay after delay.

Before and after Sandy, the East River Tunnels suffered from antiquated signaling infrastructure that both slowed the rate of service and made the system prone to outages. By installing new high-density signaling in the tunnels, we can better manage the system during emergencies like Sandy, as well as increase capacity and service redundancy, and the added benefit will be it is going to make fewer delays even in nonstorm times from this damage. The MTA estimates about \$85 million to \$90 million is needed to execute these resiliency measures.

So I am asking strongly, with great fervor, to make sure that we can get this done. I would just like a commitment today that you will work with me, the MTA and Amtrak to fund these programs, using some of the \$10.4 billion in FTA Sandy funding to build these resiliency projects. We need to work together on this. It is really important, and I am pushing you as hard as I can.

Mr. ROGOFF. Understood. Senator Schumer, you do not have to tell me about the elemental importance of the Long Island Railroad Tunnels. I grew up on the Port Washington Branch and took it into Manhattan any number of times.

These tubes do not just serve Amtrak and the MTA. They actually also serve New Jersey Transit—

Senator SCHUMER. Yes.

Mr. ROGOFF.—interestingly enough, because the New Jersey trains need to get out to Queens to turn around.

Senator SCHUMER. Right.

Mr. ROGOFF. You heard me say in my opening statement that our highest priority for resiliency funding is going to be protecting the existing transit assets that serve millions of people every day. I cannot make, obviously, a particular commitment to this particular MTA request, but you have my assurance that we will take a very hard look at it when it comes in.

Senator SCHUMER. Right.

Mr. ROGOFF. And we certainly understand the central importance of that to the whole region.

Senator SCHUMER. I appreciate that very much. I will keep on your back—

Mr. ROGOFF. Undoubtedly.

Senator SCHUMER.—until we get a commitment, as you know me well enough to know.

Mr. ROGOFF. Right.

Senator SCHUMER. Second, on these tunnels, it is my understanding that you expect to select projects from the remaining \$5 billion in a competitive pool of resiliency projects. This is the second tranche.

Since the bulk of the transit damage was in the New York-New Jersey area, can I have your commitment you will work with the MTA, Amtrak and New York City to ensure our region gets the funding it needs to strengthen the system to the fullest extent possible?

As you know, we wrote this legislation with these systems in mind. And I know there is sort of a tendency in Washington to spread money here, there and everywhere, but what I would like is the dollars to be distributed in proportion to the damage to the mass transit systems covered by Sandy. I am not asking for specific projects.

That would mean that the New York-New Jersey mass transit would get the vast bulk of these funds. I assume that is your intention.

Mr. ROGOFF. Our intention is to look at the transit service and the assets as a whole for the region. And, as I said in my initial statement, we need to take care that there really is a rich regional discussion because we have a lot of shared assets between New Jersey Transit and Amtrak and the MTA services—both Metro North and Long Island Railroad.

And we need to make sure that we spend these dollars in a way that protects the existing infrastructure on the whole. Shame on us if we take more than \$10 billion in national taxpayer dollars and then do as you said—spread the dollars here, there and everywhere and then have to come back to the taxpayers to rebuild the infrastructure after the next storm. We have a commitment to protecting the infrastructure that was damaged, from future impacts, and you certainly have my commitment to attend to that.

Senator SCHUMER. Great. And, by the way, on the first one, I take it a decision is going to be made within the next month or two.

Mr. ROGOFF. Our goal is to get our notice of funding availability out later this fall. Conversations are ongoing with Secretary Foxx, and it is moving forward.

Senator SCHUMER. Right. This is on the signals. Yes, that should be in a few months you will make a decision?

Mr. ROGOFF. Our goal is to get the notice of funding availability out.

We are already in regular dialogue, if not daily dialogue, with the MTA and New Jersey Transit on the process.

Senator SCHUMER. I know.

Mr. ROGOFF. So they are already preparing materials, and we look forward to receiving them.

Senator SCHUMER. Right. OK. Good.

Well, my time is up. I had another question or two, but I

Senator MENENDEZ. Go ahead.

Senator SCHUMER. OK, I will take one more. This is to Secretary Donovan.

One of the concerns we have is multiple reviews that slow things down, related to our questions before. Under FEMA regulations, if there is FEMA money, repair, construction or elevation is exempt from NEPA requirements as long as the repairs do not substantially alter the preexisting design, function and location of the property.

For a homeowner to put a new roof on their home, you do not need a home NEPA review. It would make it ridiculous. It would slow things down.

The problem is that we do not have such a commitment with CDBG. So, in the areas where there will not be FEMA money for one reason or another, we are worried that the NEPA review for CDBG, or whatever environmental review there is, would just slow things down dramatically.

What can HUD to streamline the environmental review process to avoid unnecessary delays?

Secretary DONOVAN. So, first of all, I think we have done a lot, partly with your help, in Sandy that has sped up the work that has been done. And let's recognize we do already have more than \$5 billion out of the supplemental that has actually been paid out, over \$11 billion that has been committed. So, while you do have concerns about the pace, relative to past disasters, we are moving more quickly.

Senator SCHUMER. Doing better.

Secretary DONOVAN. One of the real lessons we learned in Katrina was exactly the point that you are making, and you all gave us the ability when we have a FEMA environmental review to waive a CDBG review.

One of the things I would suggest is that the next time we have a disaster and do a supplemental, that we give that authority across any Federal agency. If there is an acceptable environmental review done by the Department of Transportation, for example—we had exactly this issue in Katrina—why not say that is acceptable for CDBG?

And particularly as we do resilience, where they may only be able—or FEMA may only be able—to pay for what was there before the storm, there will be a requirement to have CDBG dollars above and beyond that to do mitigation. So it only makes sense, if we are going to take the right approach, to do that more broadly.

In addition to that, I think there are a number of steps that we can take, and we have done some of those. There were initial questions about if I have already started work on my home, do I have to stop in order to get—there was some confusion about this. We clarified it as quickly as we could, to say, look, if you started already and you have a contractor that was working, you do not have to stop. So that now is allowing people to keep going.

There are many smaller things like that, but the most important would be giving us the flexibility in CDBG to take any other Federal agencies' review.

Senator SCHUMER. Just one final—this is not a question because I know my time up, but I would urge you—I think there are about \$300 million in unmet reimbursement need for New York City that will not be fulfilled in the first tranche. I would urge you strongly

to make sure there is enough money in the second tranche to do that because people are waiting for their reimbursement.

Secretary DONOVAN. Absolutely.

Senator SCHUMER. Thank you.

Thank you, Mr. Chairman.

Senator MENENDEZ. All right, Senator Warren.

Senator WARREN. Thank you, Mr. Chairman.

I apologize for my delay in getting here. Senator Markey was giving his what is still referred to in 2013 as his maiden speech—some day we will change that—on the floor of the U.S. Senate, and I wanted to be there for it.

But I have read your testimony, and so what I wanted to start with is back in January when Congress provided \$50 billion in funding for Hurricane Sandy recovery. We all know it is important to spend the money wisely, and it means thinking long term, not just rebuilding, but updating our housing supply so it is better able to withstand bad weather conditions, modernizing the electric grid, our communications system.

So that is why I was pleased to see the recommendations. Many of them have a very long-term focus, and the recommendations in the Hurricane Sandy Rebuilding Strategy Report released last month takes this long-term approach.

Now the next step, of course, and perhaps the more challenging one is executing on the recommendations.

So, Secretary Donovan, the question I have is that the report explains that agencies will be monitored and held accountable if they do not follow the recommendations of the report, but the inter-agency task force that drafted the report will be disbanded soon. So who exactly will be monitoring the agencies' performance after that?

Secretary DONOVAN. You are looking at him. I am going to continue leading this effort with the assistance of Craig Fugate. We will be convening on a monthly basis all of the key agencies that have been part of the task force to track implementation.

I will not give you the thick stack of implementation plans we have developed for every one of the 69 recommendations and the tracking process. We have a project management office that we set up that is going to continue in existence and be part of the FEMA office in the region that is tracking it.

And I will be convening the entire cabinet that is engaged on a quarterly basis to make sure that we have the full attention of the cabinet, with the assistance of Denis McDonough and Alyssa Mastromonaco, who have been deeply involved in this process.

So I believe we have a full strategy to make sure that the strategy is implemented, but I look forward to you and your colleagues holding our feet to the fire to make sure that happens as well.

Senator WARREN. Oh, good.

Mr. ROGOFF. I might just weigh in, Senator Warren.

Senator WARREN. Please.

Mr. ROGOFF. We, at the DOT, are one of those agencies who will be part of that process. It has really already started. We are already about the business of reporting to the successor of the task force, if you will, in terms of what progress we are making, and it is a very productive interagency relationship.

So I am very optimistic that this report is not going to just get stuck on a shelf.

Senator WARREN. I am very glad to hear this and very glad to hear that you have got strong implementation plans, not only in place, but that they have actually started.

Can I ask the other part of the question, though, and that is how will the agencies be held accountable if they fail to follow the report's recommendations?

Secretary DONOVAN. So, obviously, that depends on the specific recommendation.

Senator WARREN. Sure.

Secretary DONOVAN. But, generally speaking, what I would say is this is something the President is watching. He included the work of the Sandy task force as a central element in his Climate Action Plan, looking at how we make our regions more sustainable, more resilient, going forward. He created a working group to take many of these recommendations to a national level—infrastructure resilience guidelines and other things.

And so, ultimately, this is a question that we will be watching, and there will be clear consequences from whether it is a call from me, a call from the President, if those recommendations are not being carried forward.

Senator WARREN. And I take it you will also be public about recommendations that are not being carried forward, as well as those that are?

Secretary DONOVAN. We are currently reporting on a regular basis, now monthly, all of the spending of the supplemental dollars.

Senator WARREN. Good.

Secretary DONOVAN. And we will be tracking—and we would be happy to share with you—implementation of the milestones in a very clear way through this project management office.

Senator WARREN. Great. And just one more while I am trying to make sure I have got all this. If any of the agencies lag behind in spending their allowed or allocated funds, will you also be tracking that, and will they be held accountable?

Secretary DONOVAN. This is the data that we have started to publish now on HUD's Website for the public on a monthly basis.

One of the things that is important here—Congress did, for the first time ever, put in the supplemental a 24-month requirement for each of the spending categories. That is something that we have worked very hard closely with all the agencies to make sure that where, for example, we have long-term transit that will clearly take beyond 24 months, that we provide a provisional waiver but still subject to spending deadlines. But the majority of the funding will still be subject to the 24-month.

And so you have given us a tool that will allow us to hold agencies accountable as well.

Senator WARREN. Well, this is really good to hear, and I appreciate it.

You know, after the flooding of the Mississippi River in 1993 and after the Hurricane Katrina in 2005, there were reports issued with detailed recommendations, and then very few of those recommendations were actually implemented. So, when I see good rec-

ommendations, I really want to know that we are going to follow through and make sure that they are there.

So, thank you.

Mr. Chairman, could I have your indulgence to ask one more question? I know I am over time.

Senator MENENDEZ. Go ahead.

Senator WARREN. Good. So I have a second one that I wanted to ask about, and that is, of course, as you know, New Jersey and New York bore the brunt of Sandy's impact, but other coastal States were hit hard as well. In Massachusetts, for example, the storm caused flooding on the coastline, on the islands; it damaged facilities at Hanscom Air Force Base, at Cape Cod Air Force Station.

So the question I have is based on your experience with Sandy what do you both think could be done to prevent or mitigate the impact of future coastal storms?

Whoever would like to start—Secretary Donovan?

Secretary DONOVAN. I would say, first of all, the emphasis and the structure of the funding that was in the supplemental has given us a head start on that. Resilience and mitigation were key parts of the strategy for the supplemental the President proposed and that was passed, and we are implementing that in many, many ways.

I think the single place to start is to make sure that communities have the information, the science that they need, to be able to make the right decisions. And so that is why we talked a little bit earlier with Senator Menendez about the FEMA flood maps and updating those.

But also we provided for the first time through the task force a tool that allows communities, individual homeowners and businesses to access information up to 100 years into the future about what sea level is expected to be.

And we have, for the first time, incorporated across the entire supplemental guidelines that say we have to look at particularly for infrastructure not just current flood risk but future flood risk. And so that is the first time we have ever done it. We are now looking at expanding that nationally as part of the President's Climate Action Plan.

Senator WARREN. Can I follow up to that—

Secretary DONOVAN. Yes.

Senator WARREN.—by just asking, have you considered developing a coastal storm strategy that would permit Federal, State and local officials to better coordinate their weather management and address infrastructure and zoning differences?

Secretary DONOVAN. Yes, and in fact, first of all, we now have the best science available because of the work of the task force. That is a critical piece of the information you are talking about.

Thanks to the supplemental, the Army Corps of Engineers is doing a full study from Virginia up to Maine of both natural and kind of hard infrastructure and what should be done. We are collaborating closely with them on that strategy.

And then the third thing I would point out—we have convened a competition which is going to use some of the Sandy supplemental money. We got 150 teams, 148 to be exact, from over 15

countries that are now competing. We have chosen 10 finalists that are looking to propose really innovative, cutting-edge approaches in a set of places across the region.

And so we think that is a way, not just in terms of science and a broad approach but also with very, very innovative projects, to bring the best thinking from around the world to the region that could be models for what we do in other places.

Senator WARREN. And you will be developing plans to do this so that it is regional, but we are also picking up the State governments in this and our municipal governments all along the shore?

Secretary DONOVAN. We are partnering very closely. And we are not going to just develop the plans. We are going to build the infrastructure as a result of this competition.

Senator WARREN. That is terrific.

Mr. ROGOFF. Senator Warren?

Senator WARREN. Yes, please.

Mr. ROGOFF. If I could just add three quick thoughts—first, on response and recovery, we did actually at the Federal Transit Administration provide a comparatively small grant to the MBTA based on the costs that they did encounter preparing for and responding to the storm.

And, while, as we said earlier in the hearing, the resiliency funds which we will now be putting out are centrally focused on protecting the infrastructure that was destroyed, transit agencies throughout the States that did have a disaster declaration, which included Massachusetts, are eligible to participate.

I think, importantly, going forward—we, actually a year before Hurricane Sandy hit, put out a report about the impacts of climate change on transit infrastructure, which is getting a lot of attention, thankfully, by the planning community as we make plans going forward for future investments.

One quick anecdote that I keep being reminded of in this incident—I was at—I am not going to say where, but I was at a dedication of a new bus facility, and the general manager of the transit agency was telling me how cheaply they got the property to locate this new facility.

And, when I pressed him on why, he explained that it is in the floodplain, and “we are a municipal government. So we can locate here while everyone else cannot.”

And all I could think of was, well, perhaps that is true, but I am not sure you should.

And I think that is an important element here. To the extent that public assets—public transit assets or public housing assets—are asked to take the less valuable property and that less valuable property is vulnerable, we are not serving the taxpayer well who subsidizes those elements, and we are certainly not serving the transit users or the tenants well.

So we need to maybe change the dialogue here in terms of who gets access to protected property versus who gets property that is most vulnerable.

Senator WARREN. Good. Well, I thank you both very much and really appreciate your looking at this as a coastal storm strategy that we have to develop together and use a lot of long-term planning on it.

I appreciate the approach here, and as you said, we are going to hold you to it.

Thank you, Mr. Chairman.

Senator MENENDEZ. Thank you.

Thank you, Senator Warren.

And I can assure the Senator that we are not going to let the report just get cobwebs because the Committee is going to exercise continuing oversight jurisdiction on housing, on mass transit and on community development. So I am sure that the Secretary's request to have his feet held to the fire will be honored along the way.

Secretary DONOVAN. Thank you. I am not surprised.

Senator MENENDEZ. And, in that regard—and I look forward to that the oversight is largely a providing of information of how you have succeeded.

But, in that regard, I do hope—and Senator Warren pursued a lot of questions that I was going to pursue subsequently, and I think most of it has been answered.

But I am concerned. I hear what you are going to do as the follow-on to the task force. I am not so sure of the timeframe for ending the task force. I am not saying the task force should exist forever, but I am not so sure the task force's timeframe—its ending of it is timely, and I worry about that, to be honest with you.

I understand that from your answer to Senator Warren you are going to hold the monthly meeting by certain elements of it and then a quarterly meeting by cabinet members.

You know, there is still a lot of resources to go out.

There is still a lot of legislative activity which I hope that I could ask you, Mr. Secretary, to send to me. What are the legislative elements?

I guess we could glean it as we go through the report, but to the extent that you and your people can pinpoint, what are the legislative elements that we need out of all of these recommendations so that we can begin to think about pursuing them and finding the appropriate legislative vehicles here to effectuate them?

That would be very helpful as part of it.

But on the overall question of the follow-on, is the ending of the task force because of resources? Is the ending of the task force because you think your job is finished?

I am trying to get a sense of why we would not keep this for a period of time longer, especially when we have all of these issues, the recommendations that you have given and the fulfillment of that which is already out there in terms of resources to be achieved successfully.

I want to make sure we get this right, and so I do not want something arbitrary like, for example, if there is a cost involved with the task force, that that should not be considered.

Secretary DONOVAN. It is a very fair question, and it is one that, frankly, we had a number of debates about. We did say it was going to be a short-term task force focused on this strategy.

I think the most important answer to your question, Senator, is that we need to make the function that the task force has performed in cutting red tape and providing coordination, standard op-

erating procedure. It should not require a task force to accomplish these things, and I hope you would agree with that.

The question is, how do we take the National Disaster Recovery Framework that Janet Napolitano and I worked on when the President first came in and enhance it so that we have the highest level of interagency coordination and engagement of principles.

One of the most important things has been me getting my colleagues on the phone and saying, look, we have got a problem here with this confusion. We have got to decide this, and not in a month, in a day.

And so what we have done is to take something called the Recovery Support Federal Leadership Group—in disaster-speak, the RSFLG—and turn it into a higher level, more active group that we hope will take over, not just now, but in the future, the role that the task force has played and that I will then chair these regular meetings of it.

We have also embedded the program management office and many of the things from the task force, including the literal staff, into an office on the ground in the region that is going to continue doing work. As you know, this National Disaster Recovery Framework had over 100 personnel that are continuing to work there in the region.

So what we are trying to do is really make sure that this is not a special thing, but it is something—particularly with a disaster of the scale and scope of Sandy—that we stand up as a matter of course going forward, and that is really what we are trying to accomplish.

Senator MENENDEZ. And I agree with you.

Secretary DONOVAN. There are risks to that.

Senator MENENDEZ. I agree with you that the desire to create a regime that ultimately is standard operating procedure is the ultimate goal.

Secretary DONOVAN. Yes.

Senator MENENDEZ. The question in my mind is who drives us to the point that it becomes the standard operating procedure, and that is where I am concerned for the task force, not for the task force's sake, but who drives the elements of your recommendations into the very fabric of how we respond in any disaster.

That is what I am concerned about, but I hear from your response to Senator Warren that to a large degree that is going to be you.

Secretary DONOVAN. I will continue to do that with Craig Fugate. And I will also say there is a lot of engagement at the White House from Denis McDonough and Alyssa Mastromonaco as well as from the National Security staff and the Domestic Policy Council. So I think there is a structure in place to continue doing this.

I am not saying it will be a perfect transition because it is new and it is change, but I know that you will also—both of you and the Committee—if there are issues that you see happening because of that transition, please let me know and we will respond.

Senator MENENDEZ. And I do hope that you will work with us on both looking at the legislative elements of this that may be necessary to get us to the point of being better prepared for any future storm.

It happened along the East Coast of the country. This can happen anywhere, anytime. We already saw the floodings in Colorado. The consequences are potentially there for anyone.

So today, or a year ago, it was New York, New Jersey, Massachusetts, Connecticut and others. It can happen anywhere.

Secretary DONOVAN. Yes.

Senator MENENDEZ. So I hope you will work with the legislative elements, and I also hope that you will work with us on the affordability questions and on the insurance. I think that those are critical.

Mr. Administrator, I want to ask you a question or two, and then we will let you go.

I hope—and maybe you can speak to this. I have often spoken about—from my days in the House on the Transportation Committee and continuing on this Subcommittee—that the redundancy of transportation in a post-September 11th world is incredibly important.

We think about it only as different modes of transportation, but that redundancy, whether it was what was available to us in the aftermath of a terrorist attack and the tragedy that ensued or the redundancy that existed as we were dealing with Hurricane Sandy about how do people get to move around after the storm, is important here.

And, as you look at how the rest of this funding moves forward, I hope one of the elements you are going to look at is, number one, how do we maintain those elements of redundancy—because whether that is a transit line, a light rail line, a ferry service, a heavy rail line, bridges, all of those elements, bus service, that unique universe of transportation modes that create the backstop for whether a man-made disaster or a tragedy or a natural one is critically important.

And, particularly in the region, that we look at how we apportion the proceeds that are left in a way that looks toward maximizing the prevention in the future and the shared assets that can help everybody in the region because there is no use of being able to go one way into New York or not being able to get from New York back to New Jersey. The State of New York or the city of New York cannot collect their tax on those who work in New York. They do not get the proceeds from the resources of those who work in New York and spend their money there and, therefore, pay sales taxes.

And, vice versa, New Jerseyans will not get, by way of example, the opportunity to pursue their employment or businesses in the transit.

So I am hoping you are looking, as you are calibrating, at how you are going to pursue the response in ways that have the largest benefit over the longest period of time and look at redundancy as part of that.

Can you speak to those issues?

Mr. ROGOFF. I can, Mr. Chairman. Redundancy will certainly be an important element that we will look at and, as you point out, especially in a region like the Tri-State Region, where we have an abundance of shared-use infrastructure.

When we lost the tunnels under the Hudson to Amtrak service, we also lost it to New Jersey Transit service. The solution was to

stand up a lot of additional express bus service as fast as we could through the tunnels when they were dry but, importantly, to stand up immediately additional ferry service, including private ferry service. And we needed to have that ability.

I remember vividly a tourist ferry, one of those we used to call the Circle Line. I think it has a different name now, but the kind of ferries that was used for tourists coming to New York, which they certainly were not doing immediately after the storm, being drafted into service for cross-river commuters.

So we need to make sure that there is that capacity for redundancy. We have done that in some investments, for example, on making sure that there could be ferry access not just to Hoboken but to Liberty Island as a secondary ferry site.

In terms of allocating the resiliency funds going forward, yes, as I said earlier, our highest priority is going to be protecting the infrastructure that exists, that is serving millions and millions of people each day. But we need to recognize that even with those best efforts, we could lose that infrastructure at least temporarily, and the economy needs to continue to move forward, and people need to be able to have access, need to be able to get home, need to be able to get to work.

So, yes, certainly, those will also be investments that we will be looking at.

Secretary DONOVAN. I would just add, Senator, one specific example of that. I give a lot of credit to the Department of Transportation team. We worked collaboratively.

There is a major project going on, on the Manhattan side of the Hudson—Hudson Yards—which we were able to, between Amtrak, working with a developer who I had worked with closely in New York, set aside the right-of-way and actually build a box as their establishing foundation that could allow future redundancy for tunnels under the Hudson through the Gateway Project. And that is something that had we not worked together across agencies we might have lost that opportunity forever because once the project proceeded and those platforms were built it would not have been possible to undo it.

So that is just one example where I think we have been thinking ahead, as Peter said, around redundancy and preparing for the future.

Senator MENENDEZ. I appreciate that.

And the very last question, Secretary, is this Committee has—the full Committee, not the Subcommittee—but the full Committee has jurisdiction, obviously, over financial institutions such as banks, has jurisdiction over insurance, and both of those entities in the context of the aftermath of the storm played roles.

They were not always very good roles. The standardization of many proceeds that were supposed to go to the homeowner ended up going to a bank if the bank had a mortgage or other security lien. Insurance companies ended up with checks and then established their own process about how those would be disbursed to the individuals if they had an insured interest in the property.

I hope part of our work here is going to—and I think you mentioned it in the context of insurance.

But I hope we are going to work to standardize a process that does not have the homeowner ultimately further challenged by banking and insurance entities, recognizing their interest, but does not have them hold this up inordinately in order to be able to receive the proceeds that are meant by the Federal Government particularly for these individuals to be able to reestablish their lives because I heard a lot of that during the aftermath of the storm.

Secretary DONOVAN. Senator, you are absolutely right.

There are three components of what we did.

First, given that there was not a statutory requirement but knowing that between FHA, Fannie Mae and Freddie Mac we covered a majority of the mortgages in the region, we sat down to have an aligned policy to say: We are banning foreclosures. You cannot foreclose on anyone affected by the storm for, initially, 30 days. Ultimately, we extended that to 90 days.

So that was one.

Second, we worked together to make sure that at the point that moratorium ended and we had a suspension of payments in some cases, that those families would not be hit then with, well, you owe us \$20,000 because you did not pay for 3 months or 6 months.

And so we created a standardized process to modify those mortgages and reduce the payments. In no case was a person allowed to have a higher payment as a result. So, if you needed to extend out the term, or whatever else, we created a consistent policy on that.

And, third, we had been working on a coordinated policy for insurance disbursements because it is important. We have seen homeowners taken advantage of. It is important to have standards in place that say, look, your contractor has to show that the work is done, there are draws that are done, but to do it in a way that is clear and that is fair to families.

And what I would suggest is maybe we can come to you with those policies, and we could think about whether there is something we can do either in the statutory or the regulatory context that could make this not just about Fannie Mae, Freddie Mac and FHA because we plan to adopt these as national policies, but to make this more consistent across the entire industry.

Senator MENENDEZ. Thank you.

Do you have anything?

Senator WARREN. No, I am good.

Senator MENENDEZ. Thank you very much.

Well, with the thanks of the Committee for your testimony here today and also for the work that you put into this effort, we appreciate it. We look forward to continuing to work with you.

The record will remain open for 1 week from today for Members who have questions. If you receive questions, we would urge you to answer them as expeditiously as possible.

And this hearing is adjourned.

[Whereupon, at 11:44 a.m., the hearing was adjourned.]

[Prepared statements and responses to written questions supplied for the record follow:]

PREPARED STATEMENT OF SHAUN DONOVAN
 SECRETARY, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
 SEPTEMBER 18, 2013

Chairman Menendez, Ranking Member Moran, and Members of the Subcommittee, thank you for the opportunity to testify today regarding the ongoing effort to rebuild in the region impacted by Superstorm Sandy.

Because Sandy was one of the most devastating and costly natural disasters in our history, the President recognized that the response required an additional focus on rebuilding efforts coordinated across Federal agencies and State, local, and Tribal governments to effectively address the enormous range of regional issues.

On November 15, 2012, President Obama announced that I would lead the coordination of Federal efforts to support the long-term rebuilding effort, and the President issued Executive Order 13632 on December 7, 2012, establishing the Hurricane Sandy Rebuilding Task Force, and appointed me to serve as its chair. Executive Order 13632 charges the Task Force to “work to ensure that the Federal Government continues to provide appropriate resources to support affected State, local, and tribal communities to improve the region’s resilience, health, and prosperity by building for the future.”

My responsibilities in this role occur in concert with the National Disaster Recovery Framework (NDRF) and involve cooperating closely with the Federal Emergency Management Agency (FEMA) and the other agencies involved in recovery efforts. The focus of the Task Force is on coordinating Federal support as State, local and Tribal governments identify priorities, design, and implement individual rebuilding plans. I am the Federal Government’s primary lead on engaging with States, Tribes, local governments, the private sector, regional businesses, nonprofits, and community and philanthropic organizations on long-term Sandy rebuilding.

Sandy and the Nor’easter that followed have had immense and varied impacts across much of the eastern United States, with damage most severe in New York, New Jersey, Connecticut, Rhode Island, and Maryland.

Within the United States, the storm caused over 150 fatalities, major flooding, structural damage, and power loss to over 8.5 million homes and businesses, directly affecting more than 17 million people as far south as Puerto Rico, as far north as Maine.

Sandy caused tens of billions of dollars in damage and is estimated to be the second most costly storm in American history. Thousands of businesses and more than 650,000 homes were damaged or destroyed. State, local and Tribal governments are addressing damage to roads, bridges, mass transit and other essential infrastructure, including electrical and water treatment facilities, public hospitals, and shorelines.

In addition to my concern as a citizen and as a member of this Administration, this is personal to me. I grew up in the region. I was born and raised in New York and worked on housing issues there, including serving as Mayor Bloomberg’s Commissioner of the New York City Department of Housing Preservation and Development. I also worked on housing issues for Prudential Mortgage Capital in New Jersey, and my wife is originally from New Jersey. Many of my friends have been directly affected by the storm’s devastation. In light of my deep roots in the region, I am particularly concerned with the devastation that Sandy has caused, and I am especially honored to have the opportunity to help with recovery and rebuilding efforts.

I have seen much of the damage first-hand, talked with State and local officials and citizens living with the aftermath of the storm, had discussions with Senators and Representatives from the area, and have met with other Federal officials working on the recovery effort. Everyone involved in the recovery and rebuilding has demonstrated extraordinary dedication and courage.

Just as remarkable are the actions by average people I have spoken with—individuals who have demonstrated a different brand of heroism by simply reaching out to help their neighbors, even as they were facing their own losses. I have seen bravery and determination that inspires me and my colleagues to work even harder, respond quicker, and develop more creative solutions.

With that mission in my mind testimony today will cover: 1) an assessment of the ongoing recovery efforts; 2) a brief background on the formation and role of the Hurricane Sandy Rebuilding Task Force and 3) the role of the supplemental funding provided by Congress.

Ongoing Response and Recovery Efforts

Before I describe the task force’s activities, it is important to note the unprecedented cooperation that is taking place among Federal, State, local, and Tribal au-

thorities. HUD, FEMA and other parts of the Department of Homeland Security (DHS), as well as the Departments of Transportation, Health and Human Services, Interior, Commerce, and Agriculture, plus the Small Business Administration (SBA) and the U.S. Army Corps of Engineers (USACE) and other agencies are all working together. For example, as a result of coordination under the National Response Framework (NRF), within a week after Sandy hit there were almost 11,000 National Guard and 17,000 Federal responders on the ground from FEMA, the Department of Defense, USACE, HUD, Department of Transportation, Department of Energy, and HHS, as well as tens of thousands of utility workers from across the Nation.

As of July 2013, FEMA and the SBA have served over 270,000 households and individuals and nearly 3,900 businesses. Additionally, 99.5 percent of Sandy-related National Flood Insurance Policy claims totaling over \$7.8 billion have been paid out, and FEMA has provided \$12 billion in funding to individuals and communities.

The start of the 2013 summer tourist season was one of the most closely watched indicators of the recovery. And I'm proud to say that thanks to the hard work of FEMA, the Army Corps of Engineers and so many others, on Memorial Day 2013, 97 percent of public beaches from New Jersey through Connecticut had re-opened.

The Role of the Hurricane Sandy Rebuilding Task Force

Our efforts on Sandy have been shaped by the lessons learned in past disasters while also working to streamline administrative processes and assist families, businesses and communities in an efficient and effective manner. The Administration has recognized that our experience during Hurricane Katrina and other disasters highlighted the need for additional guidance, structure, and support to improve how we as a Nation address disaster-related recovery and rebuilding challenges. In September 2009, then-Homeland Security Secretary Janet Napolitano and I were charged with leading work on this effort and establishing a Long Term Disaster Recovery Working Group, composed of more than 20 Federal agencies. HUD, DHS, and the Working Group consulted closely with State, local, and Tribal governments as well as experts and stakeholders, and they worked to improve the Nation's approach to disaster recovery and to develop operational guidance for recovery efforts.

As a result, in September 2011, FEMA published the National Disaster Recovery Framework (NDRF). The NDRF addresses the short, intermediate, and long-term challenges of managing disaster-related recovery and rebuilding. It sets forth flexible guidelines that enable Federal disaster recovery and restoration managers to operate in a unified and collaborative manner and to cooperate effectively with State, local, Tribal, and territorial governments.

There are three primary lessons that are guiding our efforts to support local community rebuilding efforts.

First, it is vitally important that both near and long-term recovery and rebuilding efforts start immediately following a disaster and that the Federal Government takes a coordinated regional approach to the delivery of assistance to its State and local partners. To ensure that this happens, the Hurricane Sandy Rebuilding Task Force is filling this regional coordinating role, working in coordination with the Federal Disaster Recovery Coordinators under the NDRF, and focusing on rebuilding.

Second, this must be an "All-of-Nation" approach to rebuilding. While the Federal Government has a key role to play in recovery, State, local, and Tribal governments must be the leaders in this effort. To ensure the Task Force's efforts maintain a local focus, we quickly established an Advisory Group composed of 37 elected officials from impacted communities in New York, New Jersey, Rhode Island, Maryland and Connecticut. We were also in constant contact with other State and local officials—which gave us real-time information about the rebuilding challenges communities faced. When the Task Force officially terminates on September 30, 2013, FEMA and the lead agencies for the Recovery Support Functions, as described in the NDRF, will continue the Federal rebuilding coordinating efforts in the region.

Third, the recovery effort must include rebuilding in a more resilient fashion rather than simply recreating what was already there so that we are prepared for future disasters. One of the most critical concerns we heard from our local partners was that communities needed clear, accessible information about current and future flood risk. As one CEO who lost critical facilities to Sandy flooding put it, "just tell me how high to rebuild." In order to gather the best information on the risks the region faces, the National Oceanic and Atmospheric Administration and the Army Corps of Engineers developed a tool which allows local planners and decisionmakers to click on a map and see projections of the impacts of rising sea levels as much as a century into the future. To ensure this science would be put into practice, the Administration established a single Flood Risk Reduction Standard that applied to all rebuilding projects funded by Sandy-Supplemental dollars.

But we have not just armed communities with the best available data—we have also worked to connect communities with the most innovative engineering, planning and design ideas from around the world. That’s why we launched Rebuild By Design, a multi-stage regional design competition, specifically to develop innovative projects to protect and enhance Sandy-affected communities.

Everybody has a part to play in building a stronger region, and we will continue to foster and encourage new ideas and learn from our recovery partners across the country and the globe.

The Task Force and Supplemental Funding

Rebuilding must be a community-driven effort, with a community-based vision at its heart. But supporting that vision through financial means is a key part of the Federal role—one that has consistently been present for communities experiencing disaster.

On January 29, President Obama signed the Disaster Relief Appropriations Act (DRAA) of 2013. The supplemental funding bill included funds for FEMA and USACE projects, Transportation, support for the Small Business Administration and its disaster loan program, Community Development Block Grant-Disaster Recovery (CDBG-DR), funds to be provided to communities, and funding for a range of other critical priorities.

As of August 2013, Federal agencies have obligated over \$9.9 billion in DRAA funds to help communities rebuild after Sandy. The Federal Highway Administration allocated nearly \$1 billion to rebuild roads and bridges damaged by Sandy and other disasters. HUD has also allocated the first \$5.4 billion of CDBG-DR funding for Sandy recovery, and an additional \$580million to other State and local government to assist in their recovery from major disasters in 2011, 2012 and 2013.

The Task Force authored a Rebuilding Strategy document that was released in August that establishes recommendations that will help guide tens of billions of dollars in funding from the Sandy Supplemental Appropriations Act that continue to flow to the region. In total, the Rebuilding Strategy includes 69 recommendations, many of which have already been adopted. They are divided into several policy priorities related to housing, small business and infrastructure issues that were identified through the Task Force’s public engagement with local leaders and community groups and were developed in direct coordination with our partners across the Federal Government.

In addition to providing the necessary resources to continue ongoing response and recovery efforts, the DRAA also provides funding to help impacted communities effectively mitigate future risk of disaster to prevent losses of this magnitude from recurring.

We have solid evidence that sea levels are rising and that the risk of large scale disasters and catastrophic losses is increasing due to increasing development along our coasts and changes in demographics and climate. Our best science tells us that these trends will continue, that as sea levels continue to rise, this will further increase risks from storm surges and the intensity of extreme weather events, so it is vital that communities rebuild in a way that mitigates the risks posed by current storms and under future conditions.

Investing in mitigation is critical not only for the future of our communities—it is also cost effective. The National Institute for Building Safety’s Multihazard Mitigation Council has estimated that for every dollar invested in hazard mitigation, a savings of four dollars is achieved. Disaster survivors currently have access to post-disaster Hazard Mitigation Grant Funds in coordination with their State and local hazard mitigation plans to assist in taking protective mitigation actions against future events. Such investments are critical in a time of constrained resources. In addition, it is critical to maximize the impact of every dollar of supplemental funding. To that end, the Rebuilding Strategy outlines a process for coordinating infrastructure projects across the entire region by bringing all of the relevant Federal, State and local players to the table to discuss those projects and map connections and interdependencies between them. This process will help us save money, improve the effectiveness of these projects and accelerate the pace at which they’re built. The Strategy also highlights how the alignment of Federal funding and increased leverage of nonFederal funds for infrastructure projects are important to the success of disaster recovery in the Sandy affected region.

I look forward to continuing to work with this Subcommittee, others in Congress and our Federal, State, local, and Tribal partners to help make local rebuilding visions a reality, to support communities that are rebuilding in a way that makes them stronger, more economically competitive and better prepared to withstand the next storm and risks far into the future, and to help inform how the Federal Government responds to disasters in the future.

Thank you again for the opportunity to testify today. I am happy to answer any questions you may have.

PREPARED STATEMENT OF PETER ROGOFF
ADMINISTRATOR, FEDERAL TRANSIT ADMINISTRATION
DEPARTMENT OF TRANSPORTATION

SEPTEMBER 18, 2013

Mr. Chairman, Ranking Member Moran, and Members of the Committee: Thank you for inviting me to appear before you today to highlight the Federal Transit Administration's (FTA) role in assisting communities devastated by Hurricane Sandy nearly 1 year ago. This historic storm triggered the worst public transit disaster in the history of the United States, disrupting more than half of our Nation's transit service at the height of the event, and impacting more than one-third of the Nation's ridership in the days following the storm.

The U.S. Department of Transportation (DOT) and FTA were highly proactive in addressing the challenges posed by the superstorm—and that posture made a tremendous difference in our ability to respond swiftly and responsibly, with the express goal of helping the region restore access to vital transit service to millions of riders who depend on it daily.

In the days preceding and immediately following the storm, FTA worked closely as part of the larger DOT effort to develop a rapid-response strategy to assist transit providers in the short-run, while laying the foundation for the responsible administration of Federal-aid funds in the months ahead. DOT issued \$59 million in quick-release emergency relief funds within weeks of the storm to get roads, bridges, and tunnels on the path toward recovery. Working with the Federal Emergency Management Agency (FEMA), FTA executed two mission assignments to oversee and engage FTA staff and its project management oversight contractors to conduct continuing damage assessments and cost-validation work for both operating and capital costs associated with restoring and rebuilding transit capacity. Those mission assignments allowed FTA and FEMA to work side-by-side almost immediately after the storm to evaluate the situation on the ground and conduct preliminary damage assessments.

And we drew upon our regional staff to stand up a Regional Emergency Response Coordinator for the New England Region to support the DOT's Emergency Support Function 1 under the National Response Framework. This provided daily on-the-ground monitoring and contact with the affected agencies to obtain a real-time view of challenges, needs, and progress. We also repositioned FTA staff to Joint Field Offices in New York and New Jersey to assist State and local governments and other infrastructure owners in the effort to restore transportation service. This level of response was accomplished even as FTA's own New York-based regional office was taken completely off-line for 2 weeks as a direct result of the storm.

These early joint efforts with FEMA and our experts on the ground allowed us to set responsible financial-aid goals, while also factoring in future insurance reimbursements the transit agencies would receive from their providers. Confident that help was on the way, the affected transit agencies did not hesitate to incur immediate expenses via in-house force accounts and third-party contracts so they could take necessary measures in the immediate aftermath of the storm to get the recovery effort started.

For example, within days of the storm, the New York Metropolitan Transportation Authority (MTA) and the Port Authority of New York/New Jersey began pumping over 65 million gallons of water from the New York City subway system and more than 125 million gallons of water from the World Trade Center site. By November 3, two of the East River tunnels on rail transit lines between Manhattan and Brooklyn, and Manhattan and Queens, were operational-contributing to the MTA's ability to restore 80 percent of subway service very quickly.

FTA also assisted the Port Authority of New York/New Jersey in securing hard-to-find but essential equipment, like power circuit breakers, which were essential to reconnecting Port Authority Trans-Hudson (PATH) rail service between New Jersey and mid-town Manhattan, as well as the World Trade Center station in lower Manhattan, and the rest of the Northeast corridor. We worked directly with CTA in Chicago to obtain these parts and have them driven across the country to get those trains moving again.

And by May 30, 2013, the MTA had completed an extraordinary feat, restoring rail service for 35,000 riders who take the A Train from Long Island to Manhattan every weekday, thus reunifying Rockaway Peninsula with the rest of Queens. MTA

was able to rebuild, test, and re-open several miles of rail in just 7 months—an extraordinary feat, considering the complexity of the task.

On behalf of New Jersey Transit (NJT), FTA worked with FEMA through the General Services Administration's Federal Acquisition service to procure 350 buses to temporarily replace lost rail service in New Jersey. This emergency service enabled commuters to access jobs in Hoboken, Weehawken, Jersey City, and Manhattan. Seventy of those buses were ready for service the first week of November 2012, just days after the storm hit.

We also supported efforts by NJT to restore service on major commuter rail lines, including the North Jersey Coast Line, the Gladstone Line, and the Morris Essex Line. And we encouraged NJT to contract extra ferry service to provide additional transportation service between New Jersey and New York. Special ferry service was put into place from the Hoboken Inter-Modal Transit terminal, which was severely damaged in the storm, to Pier 79 in midtown Manhattan; from Liberty State Park to World Financial Center in Lower Manhattan; and from Weehawken Terminal also to Pier 79.

FTA's Emergency Response Program Strengthens Response Capabilities

None of these rapid, early accomplishments to restore service would have been possible if FTA did not have the proper mechanism in place to facilitate action. The Emergency Relief Program is that mechanism, and I commend the Committee for granting our request in the Moving Ahead for Progress in the 21st Century Act (MAP-21) to establish this essential program. When we proposed this program in the President's FY 2012 budget, we envisioned it as an important mechanism for strengthening FTA's authority, on par with the Federal Highway Administration, to provide timely disaster assistance to transit agencies whose assets are damaged or destroyed. The program has more than proved its purpose in the wake of Hurricane Sandy, and with your support, the FTA's response stands as a model for Federal disaster assistance and a powerful reminder of what our Nation can accomplish when we all work together.

An important caution is in order, however. Hurricane season is once again upon us. And, at present, the FTA has only those emergency relief funds that were made available exclusively for Hurricane Sandy. The President's FY 2013 and 2014 budget requests each sought \$25 million to capitalize the Emergency Relief program for disasters throughout the country. To date, Congress has not appropriated those funds. I strongly encourage the Congress to appropriate those funds so, when the next disaster strikes and takes public transportation systems offline, FTA will be in a position to respond immediately.

For Hurricane Sandy, the Emergency Response Program, along with proactive efforts by DOT, FTA, FEMA and other partners, enabled us to work swiftly to put a responsible, streamlined relief effort in place. To date, FTA has succeeded in allocating to the region's transit agencies a total of \$5.7 billion for critical Sandy recovery and resiliency work in the span of approximately 16 weeks, beginning 1 week after President Obama signed the Disaster Relief Appropriations Act (Pub. L. 113-2) on January 29, 2013. That means FTA has already committed more than half—approximately 55 percent—of the available funds appropriated through the Disaster Relief Act (taking into account a \$545 million sequestration cut to the original \$10.9 billion amount) for relief and recovery to the hardest-hit transit agencies in New York and New Jersey, and several others also affected. We are grateful to this Committee for its support. Nearly one-third of the total funds allocated have been set aside by FTA to help the transit agencies begin investing in resiliency projects to help ensure that their assets—from trains and buses to stations and subway tunnels—are better able to withstand future disasters, such as major floods.

At this juncture, \$577 million of the funds committed have been obligated, primarily to the MTA, PATH, NJT, and the New York City Department of Transportation. FTA also provided recovery funds to the Southeastern Pennsylvania Transportation Authority, Rhode Island Public Transit Authority, and Massachusetts Bay Transportation Authority.

FTA has made an extraordinary effort to make emergency relief and recovery funding available as expeditiously as possible, to ensure that millions of riders have access to the transit services they depend on. We continue to work very closely with the affected transit agencies as they draw down available funds from FTA to implement these important recovery projects.

Funding for Recovery and Resiliency Projects

FTA's first and highest priority for fostering resiliency among transit systems is to better protect existing transit facilities and equipment from the impact of the next disaster. Taxpayers should not be asked to pay for the restoration and recovery

of public transportation assets a second or third time. And the transit riders of New York and New Jersey, in particular, should not have to put up with the stress, the cost, and the inconvenience of having the same transit facilities destroyed by one storm after another.

FTA is confident that the funds set aside for recovery, along with local matching funds and insurance proceeds, will be sufficient to meet all of the recovery and restoration needs of the region. We consider it prudent, however, to reserve \$1.1 billion of the approximately \$4.5 billion remaining to recovery projects, to ensure the impacted agencies will have all of their recovery needs met. This decision reflects concerns that latent damage not yet identified, as well as increased project costs, could impact the transit agencies' ability to meet all of their recovery needs with the funds available.

The Disaster Relief Act appropriates up to \$5.383 billion (less the sequester amount of \$545 million) for projects related to reducing the risk of damage from future disasters in areas impacted by Hurricane Sandy. FTA has already allocated \$1.3 billion for locally prioritized resiliency projects for transit agencies in the hard-hit New York-New Jersey metropolitan region. Approximately \$3 billion remains available for resiliency projects, which are projects designed and built to address future vulnerabilities to a public transportation facility or system due to future emergencies or major disasters that are likely to occur in the same geographic area or where there are projected changes in development patterns, demographics, or extreme weather or other climate patterns.

FTA will soon issue a notice of funding availability (NOFA) directed at capital projects that will reinforce critical infrastructure necessary to support public transportation systems in the region impacted by Hurricane Sandy. This funding will be available on a competitive basis.

The cost of making all public transportation assets in the New York-New Jersey region even more immune to future disasters would be quite substantial and these costs are not fully known. The remaining Disaster Relief Act funds that have yet to be allocated will not come close to meeting the contemplated resiliency needs of the public transportation systems in the region affected by Hurricane Sandy. Awarding funds for resiliency projects on a competitive basis allows project sponsors across the impacted region—any of whom could be affected by a future storm of unknown magnitude or location—to advance their best and most important projects to protect the region's transit infrastructure.

Coordination with Hurricane Sandy Rebuilding Task Force

As a result of the extreme devastation caused by Hurricane Sandy, President Obama convened the Hurricane Sandy Rebuilding Task Force, composed of the leaders of Federal agencies responsible for various aspects of the recovery. Housing and Urban Development Secretary Shaun Donovan, who is testifying today, chaired the task force. The task force issued the Hurricane Sandy Rebuilding Strategy report in August 2013, laying out key principles for recovery, as well as related recommendations to guide the implementation of federally supported recovery efforts. Those recommendations will certainly inform our direction as we develop our Notice of Funding Availability. Specifically, the task force has recommended that Sandy-rebuilding infrastructure projects be designed to increase the resilience of the region and be regionally coordinated. We will seek to incorporate the need for a comprehensive, science-based analysis; transparency in the decisionmaking process; fiscal and environmental sustainability; performance standards; and targeted financial incentives.

Both scientific evidence and recent history indicate that weather and climate-related disasters are a continuing threat. According to the Hurricane Sandy Task Force, in the last year alone, there were 11 different weather and climate disaster events across the United States with estimated losses exceeding \$1 billion each. Taken together, these 11 events resulted in more than \$110 billion in estimated damages.

In recognition of this threat, we at FTA issued our own prescient report just before Hurricane Irene and more than a year before Hurricane Sandy, "Flooded Bus Barns and Buckled Rails: Public transportation and Climate Change adaptation," that provides professionals with information and analysis relevant to making U.S. public transportation assets and services more resilient to climate change impacts. The report provides examples of adaptation strategies and discusses how transit agencies might incorporate climate change adaptation into their organizational structures and existing activities such as asset management systems, planning, and emergency response.

Federal investment in the improved resilience of public transportation systems is intended to reduce the economic and social consequences of future disasters, includ-

ing both the potential cost of rebuilding after the next storm and the social and economic consequences of suspended or inoperable transit service on the riding public. In the New York-New Jersey region, it is particularly important to focus on regional investments that protect the larger transit network—a network that serves far more transit passengers than any other region of the country. Absent adequate regional coordination and planning, investments to protect one rail yard against rising waters might only serve to flood a neighboring rail yard that supports services to an even greater number of passengers. As such, FTA will be particularly supportive of regional solutions that address the protection of the tri-State transit network on the whole.

Conclusion

FTA's Public Transportation Emergency Relief Program and the funding appropriated through the Disaster Relief Appropriations Act have made a tremendous difference to millions of residents and especially commuters living and working in the regions impacted by Hurricane Sandy. FTA will continue to work closely with the transit agencies hit hardest by Hurricane Sandy to ensure they can recover from this major disaster and emerge stronger than before. The millions of riders in New York and New Jersey deserve a robust public transportation network that can deliver the service they depend on every day. Investing in the protection of the region's transit infrastructure now will help reduce the impact of travel delays, disruptions, and economic losses when the next big storm hits.

We look forward to continued efforts to make meaningful progress with our transit agency partners in New York and New Jersey as they propose essential public transportation projects to further expedite recovery from Hurricane Sandy and lay the foundation for a more resilient future. We stand ready to provide the funds appropriated for this purpose as expeditiously as possible, while maintaining stringent oversight of taxpayer dollars. And we call on Congress to continue funding FTA's Emergency Relief Program, to ensure that communities around the country have a Federal partner willing and able to help restore public transportation service damaged by a catastrophic emergency.

Thank you and I am happy to answer any questions you may have.