FEMA'S RESPONSE TO THE ROCKFORD FLOOD

FIELD HEARING

BEFORE THE

COMMITTEE ON SMALL BUSINESS
HOUSE OF REPRESENTATIVES

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FIELD HEARING ON FEMA'S RESPONSE TO THE ROCKFORD FLOOD

TUESDAY, NOVEMBER 28, 2006

HOUSE OF REPRESENTATIVES
COMMITTEE ON SMALL BUSINESS
Washington, DC

The Committee met, pursuant to call, at 6:30 p.m., in Auditorium of Lincoln Middle School, 1500 Charles Street, Rockford, Illinois, Hon. Donald A. Manzullo [Chairman of the Committee] presiding.

Present: Representative Manzullo.

Chairman MANZULLO. The Small Business Committee of the United States House of Representatives will come to order. We appreciate, first of all, Lincoln Middle School for the use of these premises. My wife is an alumnus here at Lincoln. First of all, can you all hear the amplification system? Is it clear? You can't? All right, let's experiment with it.

Is this better? All right, okay. Now if at any time during the testimony you cannot hear, just stand up and say you can't hear. All right? Don't give me a half an hour of silence, don't be bashful about it.

I want to introduce, from Senator Durbin's office, Sarah Nelson. Sarah, do you want to stand up? I appreciate your coming. And from Senator Obama's office, Seamus Ahearn. Seamus, we appreciate your coming. I talked to both Senators this past week. They expressed their regrets that they could not participate in the hearing this evening.

I also want to thank the witnesses from FEMA who came out from Chicago and from Washington, D.C. in order to be present at this hearing. We appreciate your participation.

The order this evening is to have a three and a half minute video of the flood. Then Mayor Morrissey will speak. And then Jennifer Jaeger, the Community Services Director of Rockford will speak; then Dave Smith, who is the IEMA Bureau Chief for Disaster Assistance. Then we're going to have the testimony of seven or eight of the disaster victims who are going to speak. Then we're going to have the testimony of General Jack D'Araujo. He's given me permission to call him General.

Is that okay, General, if I can't get that last name correct?

Gen. D'ARAUJO. Whatever you want.

Chairman MANZULLO. Whatever is acceptable to you. He is the FEMA Director of Recovery Division. And then we're going to have questions that come from Mayor Morrissey and myself. And then we're going to have an open microphone for the disaster victims.

I would encourage those of you who have been impacted by this flood to consider testifying. One of the reasons, in fact, the main reason for this hearing is so the folks from FEMA can hear first hand the nature and the extent of the injuries suffered and the damages suffered by the people here in Rockford. I talked to several of you before this hearing began. You've got some horrific stories. You may be a little bit timid about testifying, but if during the course of that open mic, you want to testify, please do so. It's not like Perry Mason, where somebody is grilled. That's not going to happen. It's just an opportunity to tell exactly what happened to you.

The massive flooding on Labor Day in Rockford affected 768 homes, and initially displaced roughly 1,400 residents. The City of Rockford and charitable organizations have contributed more than $2 million to the recovery effort. However, two months have passed since the flood, and the 213 damaged homes are still not repaired. In addition, City and State officials estimate that the remaining uninsured and underinsured homes will require more than $5.5 million in additional disaster assistance. Unfortunately, this is much more than the City and State say they are able to provide. Without immediate federal assistance, many families affected by the flood face the prospect of a winter without proper heat and water. In fact, tonight I was advised of one senior by the name of Beverly Hanson who is unable to be here this evening. She can't afford to fix her furnace, and she's heating the immediate area where she is living with a space heater. Her situation is not isolated.

Shortly after the labor Day flood, Rockford Mayor Morrissey and Illinois Governor Blagojevich declared Rockford a city and state disaster area. The Governor then appealed to the President and FEMA for a major federal disaster declaration. A federal disaster declaration could provide individual assistance of up to $28,200 to repair damaged homes, and to replace lost personal property.

On October 20, the President and FEMA denied the Governor's request for major federal disaster declaration, claiming that the disaster did not rise to the level necessary to warrant federal intervention. Because of significant discrepancies between the damage estimates FEMA used to deny the disaster declaration, and the actual damage figures collected by the City and State, the State of Illinois has appealed this decision. To date, there has been no decision on the appeal.

I trust this hearing will allow the President and FEMA to make a more informed decision on Governor Blagojevich's pending appeal for federal disaster relief. I also hope this hearing will highlight the need for continued improvement in the federal disaster declaration process.

I look forward to the testimony of the witnesses. Do you want to go ahead and start the video?

[Chairman Manzullo's opening statement may be found in the appendix.]

The VIDEO NARRATOR. At about 2 p.m. on Labor Day 2006, there was an extraordinarily heavy rainfall in the City of Rockford, Illinois. According to the National Weather Service, over five inches of rain poured into the City in the first two hours. Almost eight

inches of rain fell over the entire three-hour storm. The torrential rainfall quickly flooded homes, streets, and businesses. The flash flood overflowed creeks and filled storm sewers and drainage areas past their capacity.

The relentless water collapsed foundations, swept away vehicles, and moved homes off their concrete slabs. The raging force of the water broke low-level windows, quickly filling basements with flood waters. In less than 45 minutes, the water levels were so extreme that emergency calls for rescue poured into the 911 emergency system. Over 250 calls for emergency assistance were answered by the time the flood had crested.

The Rockford Fire Department rescued over 130 people from the flood waters, leaving homeless residents—

[End of video audio.]

Chairman MANZULLO. We commend you for your leadership and working hard with the people of Rockford and we look forward to your testimony.

STATEMENT OF THE HONORABLE LAWRENCE J. MORRISSEY, MAYOR, CITY OF ROCKFORD, ROCKFORD, ILLINOIS

Mr. MORRISSEY. Thank you very much, Congressman. I'd like to start by recognizing some of our City of Rockford Aldermen who have been with us working on this disaster since its start: Alderman Jeff Holt is here, Alderman Frank Beach, Alderman Doug Mark, and I think Pat Curran was also going to be able to make it, gentlemen, and to our entire City Council, I thank you for working with us through this entire disaster recovery process.

I'd also like to start by thanking Congressman Manzullo, and Senators Durbin and Obama for their support of Rockford's application for federal disaster assistance. I also thank the FEMA officials that are here tonight for accepting Congressman Manzullo's invitation to hear our citizens tell their story. I would like to thank Governor Blagojevich, and State IEMA Director Bill Burke, and Dave Smith who is with us this evening for their continuing supporting of our application and our appeal. I would also again publicly thank the employees of our City who were there in the first instance, and continue to be there today: the firemen, the policemen, the folks from human services, the engineers and inspectors, and all those have who have helped respond to this disaster. And I thank the Red Cross and Salvation Army and the countless other community volunteers who have come to the aid of this community to provide emergency, temporary assistance. But as I will discuss this evening, despite all of those community efforts, despite what we have done as a city, our efforts fall far short of meeting the needs of many of those folks that are here tonight, and the names of which you'll see on these boards around us. Those are the names of the uninsured, the folks that have simply been unable to meet the dollars necessary to repair their homes and bring them back to recovery. Much work is left to be done.

On September 4th, our City was battered by eight inches of rain in approximately two hours. Hundreds of homeowners and families were displaced due to the rising floodwaters. Most of those families, unfortunately, still find themselves without safe, permanent housing. Millions of dollars in repair work has yet to be completed.

We believe that FEMA's initial process of evaluating our claims from this community in seeking disaster, major disaster declaration, failed. We, as a city, have been working with the State to do all that we can to help these families. But to date, FEMA has refused our requests for aid to those families most in need.

Today we present, along with our appeal that has been separately filed, corrected facts which we believe justify a major disaster declaration giving our citizens a chance for access to individual assistance funds.

Unfortunately, on October 20, 2006, FEMA Director Paulison denied Governor Blagojevich's request for federal assistance for our Labor Day Flood. Again, through the support of the Governor, we have recently filed an appeal brief, and that brief is—that appeal is currently pending.

Now when a FEMA declaration is sought by a Governor under the Stafford Act, we're very familiar of the primary factors that are evaluated in making a recommendation to the President. I'm going to talk about those factors this evening. They include the concentration of damages, trauma, special populations, voluntary agency assistance, the presence of insurance, and the average amount of individual assistance available by the State. Based on these factors, which are addressed in our appeal brief, our Rockford homeowners have met the elements of the Act, and deserve a major disaster declaration, and the opportunity to apply for individual assistance grants.

First, regarding the concentration of damages. The neighborhoods of Rolling Green, and Harmon Park, and Churchill Park suffered the most concentrated and extensive damage. Together, these two areas account for more than 90 percent of the damage suffered in this storm. Contrary to the October 7, 2006 Regional Disaster Summary, which was completed by FEMA, and to our knowledge was part of the basis for the determination, the total number of residences with major and minor damage, and those with affected status, ultimately was 768 homes. In fact, this represents a revised figure of 460 residences affected by the flood, which is a 500 percent increase over the 84 residences originally marked as affected by the flood.

Why were these and other original FEMA estimates low? We believe, well, we know, that the FEMA officials spent approximately a day and a half in Rockford counting damaged homes. Frankly, from the start, many of us felt that they were in a rush to get in and get out, and the process was determined to reach an outcome that they had already anticipated. At a certain point, it was told to us local officials to stop counting homes affected by the flood damage. They ultimately packed their bags and left. However, we did not stop counting. And I think the spreadsheets you see represented up here on stage is a representation of that. That's why we believe our estimates are right, and the original estimates were wrong. And that's why we believe FEMA's original process failed Rockford.

The October 7, 2006 Disaster Summary also incorrectly states that 600 residents were initially displaced as a result of the flooding. Today, we know that the correct total is much closer to 1400 residents. The Disaster Summary also erroneously indicates that

75 percent of the properties that sustained flood damage were single family homes and owner-occupied. Today, we know that 90 percent of the properties that sustained damage were owner-occupied single family homes. These significant discrepancies demonstrate that the original FEMA process again failed Rockford.

The second factor under the Stafford Act has to do with trauma. As you saw from the video and the photographs we have provided, residents of both Churchill Park and Rolling Green had to be rescued from their homes and cars to save immediate life and limb. The Rockford Fire Department rescued 130 persons from the flood. Four citizens were rushed to the emergency room. Others were aided by volunteers. There was a large-scale disruption of normal community functions and services. Two hundred and fifty-three calls for emergency assistance took place. Many families are still displaced, or without electrical power or heat. For those individuals, the trauma from this disaster continues.

The third factor has to do with special populations. The neighborhoods hit hardest by this flood are home to many people who simply will not recover from this flood without significant government assistance. One in five of the residents from these affected neighborhoods are seniors on fixed incomes. More than 300 of the city's residents over 85 years of age live in the affected areas. While the Regional Disaster Summary indicated an elderly population of 13 percent, again we know now the population is 20 percent in the affected area. These senior citizens will experience difficulty even in doing minor repairs and restoration of their homes.

In addition to those seniors on limited incomes, the area is home to some of the highest poverty rates in the city. In an actual survey done by our Human Services Department, of 100 flood victim families, we know that our poverty rates are well beyond the originally estimated 12 to 18 percent from census data. The poverty rate that we know to be in the area for single individuals is 20 percent, and families of two or more, 25 percent.

This corrected data clearly demonstrates that we have a high concentration of seniors and low income individuals who simply cannot repair the flood damage to their homes without FEMA's help.

The fourth factor has to do with voluntary agency assistance. Again, as we said before, the Rockford Fire Department transported 130 residents to temporary shelter at a local church following the flood. Many of those folks are here this evening. The Red Cross and Salvation Army both provided immediate assistance to those flood victims. On October 7th, over a month after the flood, 40 people, we have documented, were still living in emergency shelters. Unfortunately, the October 7th Regional Disaster Summary erroneously reports that we had no individuals still living in emergency shelter. Today, we still have 10 families in emergency shelters as a result of the flood damage, well over two months since the incident.

The goal of our short-term assistance from this community was to provide a safe place for residents while they waited for assistance from insurance companies or from FEMA to help repair homes and move on with their lives. Unfortunately, many homeowners have moved back into their homes without repairing critical

life/safety systems. They are living in unsafe environments. Despite support from local volunteer efforts, this community has simply been unable to meet the needs of these devastated families. I know as a Councilman and as a Mayor, it's one of the hardest things that we have to do to look into the eyes of our people in need and to know that we simply are unable to meet the needs that they have,

The fifth factor has to do with the presence of insurance. The October 7th Regional Disaster Summary said that 17 percent of the affected homeowners had flood insurance coverage. In reality, only 10.87 percent of those homeowners had insurance. Only 30 homeowners who sustained major or minor damage had flood insurance. And just 11 percent, only six homeowners, of the 67 sustaining major damage, had flood insurance.

Just three to eight percent of homeowner insurance companies have approved any claims at all. In addition, information about payments already made through flood insurance demonstrates that the estimates made by the City of Rockford in our FEMA request were remarkably lower than actual costs. We estimated $42,000 as an average repair cost to get a condemned home back into occupancy shape. According to actual recorded payments through flood insurance that was available in a limited amount, homes classified as major damage have actually required over $61,000 to repair. And just six percent of the homes with major damage have actually requested a building, mechanical, or electrical permit, which, by the way, we've waived the fees for all of those permits, but that corresponds with the lack of insurance covering those homes. And what it's evidence of is that the recovery simply isn't happening.

This flood disaster, which I'm sure the officials from FEMA are aware of this, a flood disaster is very different from a tornado or a fire, which would typically be covered by an average homeowner's policy. The lack of flood insurance in this disaster corresponds with the fact that this particular flood damage went well beyond identified floodways, and impacted poor and elderly populations. And we ask that FEMA take this new information into account when it examines our appeal.

The final factor, the sixth factor, has to do with the amount of individual assistance provided by the State of Illinois. But despite suggestions or hopes to the contrary, State IEMA officials have indicated to us that the State of Illinois is unable, by law, to provide direct assistance to families in need. Even if the State were legally allowed to provide such individual disaster assistance, the fact of the matter is, Illinois has posted a budgetary deficit in the last four years. Last year, the deficit was $474 million. Some argue the state's deficit is much greater, perhaps in the billions. The State simply is not positioned to provide the needed help we have asked for, and believe me, we've asked for it.

Moreover, the City does not have local funds to meet the needs of these desperate families. Rockford has the unenviable position to be one of only 8 of 102 counties in the State of Illinois that is on the State's poverty warning list. We have a map behind me to the left with those figures. We have one of the highest crime rates and poverty rates, unfortunately, in the State of Illinois. Our property taxes are also among the State's highest, while we lag behind the State and the nation in economic recovery. The City has already

spent over $1.2 million on overtime costs, public infrastructure repair, and temporary emergency shelter assistance to our residents related to this disaster. We unfortunately cannot help in the manner that these families need, which is, however, available through FEMA.

I'd also like to mention a few points about hazard mitigation. In order to eliminate the continual flood damage and expensive recovery efforts for local, state, and federal taxpayers, we are suggesting that we work together under the Disaster Mitigation Act of 2000, and suggest the purchase of residences in the Churchill Park area and certain properties in Rolling Green. We believe the fair market of these purchases would be approximately $7.1 million.

From the moment this disaster struck, we've attempted as a City to work with FEMA officials in a cooperative manner, and while I can certainly understand that the process is difficult, it should not be adversarial. It has seemed, however, that at times, FEMA has been working to defend a denial, rather than get all of the facts that might support a positive determination.

Even with our attempt to appeal the original decision, we were originally told that we could not have the basis for FEMA's denial other than a cursory reference to the Stafford Act, and a statement that we failed to meet its elements for assistance. We were told that the rest of the information was likely privileged. We then had to enlist the help of our Congressman and Senators, and submit FOIA requests to try to piece together FEMA's basis for its original denial of our application. The lack of information shared by the federal government for the basis of its denial of relief makes it difficult for a poverty stricken city with limited resources to make an effective appeal for disaster declaration assistance. Despite the lack of a complete record provided to us, however, we have demonstrated clearly why hundreds of Rockford families deserve individual assistance grant opportunities from their federal government. The original facts that FEMA had were incorrect, and we've now had an opportunity to provide corrected information.

FEMA officials relied upon the Regional Disaster Summary in their determination of the City of Rockford's eligibility for flood assistance. That summary contains several critical, but inaccurate, statements of fact. The Governor and I and our citizens here tonight urge FEMA to re-examine our request in light of those discrepancies. We request that the President and FEMA grant the State of Illinois' appeal for individual assistance, as well as hazard mitigation. Using the closed claims paid to NFIP policyholders as a guide, we estimate that the remaining uninsured and unrepaired homes, those families which you see represented on these spreadsheets, would require approximately $5.5 million in flood disaster assistance. Furthermore, we request participation in the hazard mitigation program to prevent future disasters.

FEMA does not have to fail Rockford. It is not too late. We pay federal tax dollars just like any other community in this country. We urge the federal government to reverse its denial decision, and grant federal disaster assistance for Rockford homeowners. There is abundant evidence of a specific traumatic event that has devastated a unique population of elderly, poor, and uninsured residents, whose needs simply cannot be met with local and state re-

sources. We have met the elements of the Stafford Act. We thank you for your consideration. We please ask that you grant our appeal. Thank you.

(Applause.)

Chairman MANZULLO. Thank you very much, Mayor Morrissey.

Our next witness is Jennifer Jaeger, Community Service Director for the City of Rockford Human Services Department..

Jennifer, you might want to pull that mic as close to you as possible.

STATEMENT OF JENNIFER JAEGER, HUMAN SERVICES DEPARTMENT, CITY OF ROCKFORD, ROCKFORD, ILLINOIS

Ms. JAEGER. Good evening, everybody. My name is Jennifer Jaeger, and I am the Community Services Director for the Human Services Department. Our role in this situation was to do follow-up recovery and assistance after Salvation Army and Red Cross provided immediate assistance. The flash flood that occurred on September 4 is one of those situations where we were asked to provide follow-up assistance.

On September 4, I received a call from Mayor Morrissey informing me of the need to have Community Services staff respond to Hallstrom Center in response to a flash flood occurring in the area. I dispatched staff to the Hallstrom Center, and also contacted the Salvation Army for assistance with food service for those evacuated due to the flood. When staff arrived at the Hallstrom Center, they found over a hundred citizens evacuated. The American Red Cross was on site, converting the Center into a temporary shelter for evacuees. Most of the residents arriving at the Center were confused, wet, and definitely shocked about how quickly this flood had overwhelmed them in their homes. That evening, 40 residents stayed at the shelter, with the others able to find temporary housing with friends or family.

During the next two weeks, Community Services staff continued to provide support at the Hallstrom Center, and we also began accompanying the City of Rockford Building Department to inspect dwellings, especially those condemned where the residents needed relocation.

As a point of contact for flooded residents, the Human Services Department received constant calls from residents who could not return to their homes, and from those who had returned to their homes, but who were overwhelmed by the clean-up and repair tasks facing them. Local churches assisted where they could, helping with cleaning mud out of basements and providing mattresses for families who needed to replace theirs from either water or mold damage. I do want to mention mold damage, because it is a consistent factor we are hearing from residents about their homes. Even with the water removed from the basements, they have mold way beyond the basement level of their homes at this point. The Human Services Department has been assisting as much as possible with relocation for renters, temporary housing for homeowners, and volunteer assistance where possible.

One of the major concerns we heard from citizens as they tried to recover from the flood was the denial of claims from insurance companies. The majority of residents, 89 percent, did not have flood

insurance, and since the damage was flood related, homeowner's insurance was not liable for the damage. In an effort to assist residents, the State of Illinois Department of Professional Regulation, Insurance Division came to Rockford for two days to meet with homeowners and assist them in understanding their policies. I wanted to mention that because we do appreciate them coming to town to assist those homeowners who were able to be assisted with their insurance.

Following the first assessment by FEMA and IEMA on September 7th through 9th, Mayor Morrissey expressed a concern that the damage assessment did not accurately reflect the actual damage incurred. The City of Rockford's Human Services Department, Building Department and Fire Department began the process of reassessing the damage to obtain a more accurate damage summary. On October 5th and 6th, FEMA and IEMA, along with City of Rockford Building and Fire inspectors conducted a follow-up damage assessment with the result that 67 homes were identified as having major damage, and 239 homes were identified as having minor damage. At this time, FEMA chose to not count the number of affected homes, assuring us that it would not be a consideration in their decision. However, you should be aware that the number of affected homes is more than 500 percent greater than what we originally reported.

Attached to my testimony is a spreadsheet that reflects the current status of our citizens and their properties. That's also the information displayed on these boards here. The cost estimates that we've included for repairs come from local trade unions and the experience of our Building Department. However, it is likely that our estimates may be too low. We estimated about $40,000 for a condemned home, and we've had people come in as high as $61,000.

Unfortunately, much of the work to be done is beyond the scope of our resources or the abilities of volunteers. The assistance residents need in repairing the mechanicals and electrical wiring in their homes, replacing or repairing foundations, and replenishing personal financial resources they have exhausted in their efforts to repair their homes. The clearest evidence of the need for federal assistance is the number of residents who have not been able to recover from this flood, more than 90 percent of you. The reason for this lack of recovery is simple. Neither the residents, city or state has the resources necessary to address the level of damage caused by the Labor Day Flood. Because of this, we have citizens who fall into several categories: those lucky 63 families who have been able to repair their homes completely and returned to them at this point, those 30 we've relocated permanently, those 10 families living in temporary housing while waiting for repairs to their homes, and those who are living in damaged and dangerous homes. Those who are in temporary housing must some day return to their homes or face the difficult decision of abandoning their homes because they cannot afford to repair them. For those 203 families residing in damaged or dangerous homes, we are very concerned about their safety and the safety of their families as we know that there is little we can do to help except continue to ask FEMA to reconsider their decision regarding assistance.

Thank you.

(Applause.)

[Ms. Jaeger's testimony may be found in the appendix.]

Chairman MANZULLO. Thank you, Jennifer.

Our next witness is Dave Smith, the IEMA Bureau Chief for Disaster Assistance and Preparedness.

Dave?

STATEMENT OF DAVE SMITH, BUREAU OF PLANNING, ILLINOIS EMERGENCY MANAGEMENT AGENCY

Mr. SMITH. Congressman Manzullo and Mayor Morrissey, I appreciate the opportunity to learn more from those that were most severely impacted by the flood.

My name is Dave Smith, and I am the Chief of the Bureau of Disaster Assistance and Preparedness for the Illinois Emergency Management Agency. After a disaster event has occurred, I am responsible for coordinating with the Federal Emergency Management Agency to provide any supplemental assistance that may be required from federal agencies to aid homeowners, renters, businesses, and units of government in their recovery from the impact of the event. The flash flood that occurred on September 4, 2006 in the City of Rockford and portions of Winnebago County is one of those events.

My involvement with the Labor Day flooding began on Wednesday, September 6. Three IEMA staff and I traveled to Rockford to make a general assessment of the flood damage and determine the type of disaster assistance that may meet the needs of the homeowners, renters, businesses, and units of government in the disaster area. Throughout the day on Wednesday, we toured the most severely impacted areas in Rockford along the Keith Creek drainage area. After the tour, I recommended to William C. Burke, Director of IEMA, that we request FEMA join us in a more detailed assessment of the damages. Director Burke agreed, and I contacted the FEMA Region V office to coordinate the damage assessment. When FEMA conducts a damage assessment jointly with a state, it is known as a Preliminary Damage Assessment, or PDA.

The purpose of the PDA is to collect information on the disaster damage, and to verify the damage information that had been initially collected by local emergency management officials. Information collected during the PDA serves as the basis for determining if the Governor should request Federal disaster assistance. The PDA was scheduled to begin on Friday, September 8, and continue until all damages identified by local officials had been viewed.

On Thursday, September 7, Governor Blagojevich declared that a disaster exists in Winnebago County. The purpose of the disaster declaration was to authorize State agencies to provide assistance in the disaster area, authorize the reassessment of disaster damaged real property, and make possible a request for Federal assistance if determined necessary. I explained the PDA process and the possibility of requesting Federal disaster assistance to Rockford officials in the Mayor's conference room on Thursday afternoon. I described the importance of the local official's role of identifying the damaged areas during the PDA, and ensuring that the PDA team was aware of the areas impacted by the flash flood.

The PDA was completed approximately 8 p.m. on Saturday, September 9. Personnel from the Winnebago County Sheriff's Department and the Rockford Fire Department accompanied the Federal and State damage assessment teams throughout the two-day assessment. City and county officials lead the damage assessment teams on a tour of all the areas that were damaged, and had been reported or identified. A PDA is a team effort involving state and local and federal officials. During the PDA, the function of local officials is to make sure that the PDA team is aware of all damaged areas. The function of the state and federal members of the team is to determine the impact of the disaster, and identify state and/or Federal disaster assistance programs that can meet the needs of the people and the community affected by the disaster. Most important is the fact that the PDA is a joint effort involving local, State and Federal officials, and therefore ensures that the damages are viewed by all levels of government at the same time and under the same conditions.

On completion of the PDA, the State reviews the information collected. A determination on the need to request Federal disaster assistance is based upon the unmet needs of those impacted by the disaster, and the availability of disaster assistance through State and Federal disaster assistance programs. It was determined that there were no State programs that could provide the necessary disaster recovery assistance to the homeowners, renters, and businesses impacted by the flash flood. On September 11, 2006, Governor Blagojevich requested Federal disaster assistance for the purpose of aiding the people who incurred damages to their homes, personal property and businesses as a result of the Labor Day flash flood.

It is difficult to assess basement flooding following a flash flood. The nature of a flash flood is that the water rises and recedes rapidly. Without the homes sitting in the floodwater, it is difficult to identify homes with damage that is not visible from the outside. The total impact of a flash flood that causes basement flooding may not become totally apparent until days or even weeks following the event. Many times, the only visible sign that a home has been damaged is the personal property that appears on the street as trash needing to be removed. This may not occur in the days immediately following the flash flood, but eventually, the destroyed property will likely appear upon the curb.

During the month of September, the City of Rockford collected additional disaster damage from homeowners and renters as they began to discover the real affect of the flood—the flooding had on their property. In an effort to obtain new information that accurately reflected the damages throughout the City, IEMA and FEMA conducted an additional damage assessment at the City's request on October 5 and 6. Rockford officials, IEMA and FEMA staff conducted this follow-up damage assessment jointly in the same manner as the original PDA. All involved agreed that the revised damage assessment information was the best information available at that time using the PDA criteria for assessing residential damage.

On October 20, 2006, FEMA denied the Governor's request for major disaster declaration, which would have provided Federal dis-

aster assistance to the people in Winnebago County suffering from the Labor Day flash flood. The denial letter indicated that damage to the private sector in the City of Rockford and portions of Winnebago County was not of such severity and magnitude as to be beyond the capabilities of the State and affected local governments.

On October 24, 2006, Governor Blagojevich appealed the FEMA denial of disaster assistance. The appeal was based upon additional information provided by the City of Rockford, and the fact that there are no current programs administered by State agencies designed to provide the needed disaster relief. On November 20, 2006, William C. Burke, IEMA Director, provided additional information as submitted by the City of Rockford to support the appeal of the disaster declaration denial.

The State maintains a disaster relief fund that can be used to pay the expenses of State agencies during disaster response. The State Disaster Relief Fund cannot be used to provide private relief to persons sustaining property damage as the result of a disaster. Although homeowners are encouraged to maintain flood insurance, some do not. If a major disaster was declared, some individuals, families and businesses could receive assistance from the Small Business Administration low interest loan program, and others would qualify for grants to repair their disaster damaged home or replace essential personal property, even though they do not maintain flood insurance. Without Federal disaster assistance or insurance proceeds, the people most severely impacted by the disaster would have to rely on private disaster relief organizations for the needed assistance.

During the weeks following the flash flood disaster, IEMA has maintained close and frequent contact with the City of Rockford emergency management officials. Likewise, IEMA will continue to work with the City of Rockford to identify cost effective flood mitigation projects that could potentially reduce future flood damage in the areas most severely impacted by the Labor Day storms and flooding.

Thank you for allowing me to participate in the Committee's hearing.

(Applause.)

[Mr. Smith's testimony may be found in the appendix.]

Chairman MANZULLO. Thank you. Now we have an opportunity to hear from several of the victims that were involved in the flood. I have a list here, and we'll go in this order: Roger McVay, Janeal Lantz, Brian Willis, Lourdes Macias, Reva Goettsch, Livetta Houston, Brenda Arnold, Trisha Scanlon.

But before we do that, I want to take a very brief testimony from Alderman Frank Beach, who represents—Frank, you want to go now? I see you've got a bunch of pages. Can you limit it to a couple of minutes?

Mr. BEACH. No, this is just the printed testimony.

Chairman MANZULLO. Okay, go ahead.

Mr. BEACH. Thank you.

Chairman MANZULLO. State your name and spell it for the record.

Mr. BEACH. My name is Franklin Beach, B-E-A-C-H. I'm an Alderman for the City of Rockford representing the Tenth Ward, one

of the four wards that were affected by the flood. And I thank you, Congressman Manzullo, for arranging this event, this evening, and for you gentlemen from FEMA to come out here to sometimes take a commitment that has a thankless ending or a generous future for us.

I promise no long speeches, just two pages. I want to say again that I represent one of the wards. You've heard from our people, you certainly sure will hear from our people. They are really hurting, they are concerned, and they are desperate with no means for help. We are in debt to the organizations that were mentioned earlier, the Civic Organization, Salvation Army, and so forth, for stepping up to the plate to do all that they can.

I might mention here from what statistics I've read that the medium income for the flood victims ranged from $28,000 to $38,000 a year. That's lower than the medium income for the whole county area. The county area represents about $46,000 a year, and these folks are in a lower category. Many of them, I believe the percentage is somewhere around 12 percent, is at the poverty level. And they are the ones that are most definitely affected by this.

Neither the State or the City, as has been mentioned, has proper resources to cover this. In my concluding remarks, I just want to simply say, as I can from my heart to yours, that you men are in authority. And you can speak words that can begin the process of bringing much needed relief to our community, and to grateful families here in Rockford. The winter months are here, we need your help, please reconsider, because if you won't help, who will? Thank you so much.

Chairman MANZULLO. Thank you, Alderman.

(Applause.)

Chairman MANZULLO. Roger McVay, does the stenographer, do you have a list of all the witnesses? All right. Chris, you want to give him a list of witnesses? Mr. McVay, go ahead.

Mr. MCVAY. Hi. My name is Roger McVay. I lived at 2733 Kansas Street. My whole wall was caved in by the flood. About two or three days later, FEMA was out there, IEMA was out there. We was throwing out mud and everything else. We lost everything down in the basement. That can't be replaced. I had four years of military pictures, three years over in Vietnam. And they can't be replaced.

And I'm not the only one that's been hurt by this flood, but FEMA and IEMA told me and my wife, they said do not worry. You're going to have help. And I haven't seen it yet. What are you guys going to do.

Can you answer that?

Chairman MANZULLO. Would anybody like to answer that?

Gen. D'ARAUJO. Can you hear me?

Chairman MANZULLO. Yes.

Gen. D'ARAUJO. Congressman, if I have the opportunity to explain some of this in my testimony.

Chairman MANZULLO. Why don't we do this? Let's take the testimony of the witnesses, and then we'll give you a full and complete opportunity to—once you've heard all of that, to be able to respond along with your testimony.

Does that sound like a good procedure, General?

Gen. D'ARAUJO. Yes, sir. That would be fine.

Chairman MANZULLO. Okay, thank you. Our next witness is Janeal Lantz.

Ms. LANTZ. On Monday, September 4, 2006, in just a matter of minutes, I literally lost everything I owned as a result of an unexpected downpour of rain which resulted in a flood.

Chairman MANZULLO. Janeal, why don't you start over, and you can speak a little bit slower.

Ms. LANTZ. Okay. My last name is Lantz, L-A-N-T-Z.

On Monday, September 4, 2006, in just a matter of minutes, I literally lost everything I owned as a result of an unexpected downpour of rain which resulted in a flood. I lost a total of 69 years of living. Not only did I lose everything from household furnishings and clothes, I lost a lifetime of irreplaceable family pictures and memories.

I am a single woman over 65 years old, and own a duplex on 14th Street. I live in one half, and rent the other half for much needed income. The flood caused damage to the entire duplex, and nothing was salvageable. I am still not able to return to my home, because it is not liveable as of yet. This flood has resulted in an extreme financial burden for me, as I count on the rental income to help with my monthly mortgage payments.

In April, May and June of 2006, the rental portion of the duplex underwent a much needed renovation and upgrade so as to keep the neighborhood appearance as nice as possible. The renovations were such a substantial amount of money that I had to take out a second mortgage to be able to pay for the renovations. I have worked all my life. Prior to retiring three years ago, I purchased all new furniture, including a refrigerator and bedroom set, replaced all the carpeting and flooring in my home, as well as purchased miscellaneous household items including living room curtains, hoping these items would last the rest of my lifetime.

I have been hospitalized twice this year, May and June, with a severe heart condition. This flood has been the devastation of my life. It has caused a substantial financial burden, as I am not sure if and when I will be able to repair in the rental portion of the duplex. Without some financial assistance, I have serious doubts that the repairs will be feasible. I would then lose my home to foreclosure as my ability to pay the mortgage would be no more. I have also experienced a significant amount of anxiety and health problems due to the stress of not knowing what the outcome will be of my home.

Losing my home to the flood was bad enough. I just pray I don't lose it again in foreclosure if there is no financial assistance provided. Thank you.

(Applause.)

Chairman MANZULLO. I also want to recognize that Alderman Holt is with us. Alderman, where are you? Thank you.

Brian Willis.

Mr. WILLIS. Hi, my name is Brian Willis, W-I-L-L-I-S. On September 4, 2006, the southeast part of Rockford experienced a heavy rainstorm which caused severe flooding. My house on Nebraska Road in the Rolling Green neighborhood was in the direct path of the runoff, causing two thirds of a basement wall to collapse in

while my wife and I were in the basement trying to shut one of the windows that had been forced open by the water.

As the wall caved in next to us, I told my wife to get upstairs, I actually probably yelled at her. For whatever the reason, I hesitated to go upstairs. When my wife got to the top of the stairs and didn't see me behind her, she thought I was a dead man. That feeling took a long time to go away, and probably still is there.

In less than five minutes, the basement was full of water, and made us wonder if any other wall would collapse. We were trapped in our home, because by then the water was two to three deep all around our house. Also, our two-car garage was severely damaged to the point it was demolished. I think it was the scariest thing we have ever had to go through.

After the water subsided, and the shock and realization of what took place set in, the real nightmare started. Nothing in life could ever prepare someone for what we went through.

I remember asking myself over and over, will we survive this? What do we do now? In short, the feelings of helplessness were very hard to take at times. In fact, we still feel helpless today. When Heather from the Rockford Human Services called me to ask if I wanted to participate in this meeting, I thought, it's worth a shot, but then I started wondering if participating was worth it, and why this meeting was even taking place. FEMA already said no to funding. Why is the head of FEMA coming here? What could he possibly gain from coming here and listening to a bunch of sob stories from a bunch of flood victims? Could it be that he was—could it be that he will be adding the human factor into his decision to help, not just the money factor? My hope is you will reconsider.

As it stands now, we suffered about $30,000 plus in damages to get us back where we were, but that is not including repairing the other two walls that are now bulging into my basement, that will eventually need repairing or all of the personal property lost.

In closing, money talks, BS walks. If you're going to help, help. If not, we have enough of our own to deal with. We don't need yours. Thanks.

(Applause.)

Chairman MANZULLO. Lourdes Macias.

Mr. MACIAS. My name is Eric Macias. I'm representing my mother. She is not very good in English.

I'm 16 years old. I don't know a lot about the money, about the situation. My story was, I was out of town. I was coming home when I got hit by the storm. I pulled over at a church that was hit and everything. You guys know about the losses. My mother called me on the phone. She wanted me to come home. I was out of town for the week.

Chairman MANZULLO. You have to take the gum out. Okay? That's a rule in school. Okay?

(Applause.)

Mr. MACIAS. Excuse me.

Chairman MANZULLO. We're in school, so we have to abide by those rules.

Mr. MACIAS. Yes. I came home after—I had to circulate all of Rockford because all the major streets were closed off. I had to cir-

culate out of Rockford. I parked two blocks away from my home. I live on 15th and 8th. I parked at Nelson School, which was high ground. I couldn't imagine, I didn't imagine how bad it was. The cars were full. I had to come to the aid of my family. They were all there. I took off my clothes. I had some shorts. Took off my shorts, and I was running down the flood. People were looking at me like, hey, you're going the wrong way. I had to rescue my family. I got to my door. As soon as I got there, I heard a loud boom. The door opened. My dad was coming out with my little sister. I saw my mother's eyes. She was pale. She looked around. She looked outside the house. She was about to pass out. Seeing my mother like that, I'm never going to forget it.

I went inside the house. I didn't know what had happened. I grabbed my brother. I grabbed my sister. We all left. When I went back, I found out that the loud bang, it was the wall that collapsed. The wall collapsed when my family was inside the house.

It was a miracle that my dad, last year he installed a new bathroom, and because of that bathroom, it held extra support. Because of that bathroom, the whole wall didn't come in. If the whole wall would have come in, my family would have come in with it. I wasn't home. I couldn't have done nothing about it. That's a big burden that I would have had to live with.

Please take into consideration not only the losses, but the emotions. You know the emotional stuff, my dad, we've been working every day, weekends at my house trying to repair it, trying to do what we can do. My grades have dropped. It's just hard. It's a hard thing. Not only the economical, but the emotional.

Thank you.

(Applause.)

Chairman MANZULLO. The written statement of Lourdes Macias, along with the written statements of all others will be made part of the permanent record without objection.

Our next witness is Reva Goettsch. I got the first name right.

Ms. GOETTSCH. Hi. Reva Goettsch, G-O-E-T-T-S-C-H. We have no idea why our family wasn't in the basement on September 4th. Our family room is down there, and that's where we spend all of our time. We normally have people over for Labor Day Weekend, and with the rain, we could have had a lot of people down in our basement. We decided just to have a lazy day, and just do chores and whatever, lay around.

I was making supper as my daughter, Caitlin, was getting ready to go to work. She needed to be there at 5. She got a call from a friend telling her not to go, that Charles Street was flooded and she wouldn't be able to drive to Imperial Palace. We looked outside, and people were trying to drive through the intersection at 10th Street and 6th Avenue. There was around six feet of water spewing out of the manhole cover. Water was starting to come into our yard as more cars started to drive through.

I moved two of our cars up a half a block from 10th Street and 6th Avenue, up to closer to 10th Street and 7th. About 10 years ago, we approximately had three to four inches of water in the basement, so my husband, Stan, went downstairs to check for the water. Water was starting to seep in. He had a CD collection worth about $20,000. So he was moving off the lower CD racks and plac-

ing them on the table. I followed him, and started unplugging the stereo systems and the TVs. He had only made it about one shelf of a CD rack before the water started just pouring in around his feet.

He filled a laundry basket with the CDs and brought them upstairs, and as I grabbed his Postal Uniform and my son's football jerseys, I called for my daughter Caitlin to get her basket of clothes from the laundry room. When Stan started going back down the stairs to retrieve more stuff, he heard a crackle, and he saw the wall collapse. Caitlin was at the bottom of the stairs with a basket of clothes in her hand. We saw the basement start to fill with water as we were screaming for her to move, just get up the stairs.

She started running up the stairs as the water pushed our sofa right behind her. All of this happened in about five minutes. The Fire Department had already had a rope tied to the neighbor's stairs, so I called out to them that our basement had collapsed. They told us to take a jacket and leave, and the current was so strong on 6th Avenue, they had to carry Caitlin across the street to the neighbor's porch. That's her picture that they show in the paper.

The Fire Department wanted to take us to Hallstrom Center, but our cars were only parked that half block up. There was no water at all on 10th Street and 7th Avenue. A Police Officer took us to our cars, and it took us about 15 minutes to just get that half block.

We picked up our son and went to my sister's house, planning on staying the night. We realized we were soaked and we didn't have any clothes. I'm not sure of the time, but we went to Wal-Mart squishing through all wet, buying clothes for that night and the next day. We spent the next two nights at Fairfield Inn. We then stayed a week at Excel Inn because it had a small kitchen, and on September 15th, we moved into a four room apartment.

The day after the flood, we returned to the house to check out the damage. The entire front basement wall of the house had collapsed, and there was around three feet of mud in the basement. While we were there, the City came and told us to leave, that they had condemned the house.

I called the insurance companies, but after the call, I didn't know what else to do. This was the most frustrating part of the whole ordeal. I attended a meeting on 5th Avenue and expressed this to someone from the City. I wanted my household hoisted up. I didn't want it to collapse. They offered a number for someone in Genoa, and they came within two days to hoist the house up to prevent collapse. After another meeting that the City hosted, at Stockholm, and I learned of a volunteer cleanup that was going to be held on Saturday. And Maywood Evangelical came on Saturday and took all the large items out.

I was working with A-1 Restoration to repair the basement, but nothing was happening. They were obviously overwhelmed when they were asking me for leads on masonry repairs. After the house was hoisted up and large items were removed, everything seemed to come to a halt. There was no one available to do the repairs at all in town. I told A-1 and my insurance agent that they needed to place plywood around the basement so that my house would not

be vandalized. They didn't do this, and on October 3rd, someone merely walked through my basement into my home and stole all of our electronic items, my jewelry, and went through all of our personal items.

I then had to cancel most of our credit cards. The day of the burglary, I told my son to look for anyone repairing a basement. We were taking back control. We found a sign and a contractor. After two walls being replaced, and the third one being dug out and resealed, we moved back into our house last weekend. We never realized how much we had in our basement, some things like Stan's glasses, contacts, furniture, appliances and all our clothes can be replaced. Our videos of the kids, slides from Stan's parents' collector albums and family pictures cannot. But most importantly, our children have suffered a lot. My son has asthma, and we had to bring our animals with us to the four bedroom apartment. We could no longer afford to board them. His asthma flared up since he was in a small apartment with a cat and a dog. He is now taking a stronger medication to control the flare ups. He's missed an unbelievable amount of school. Our above-average student just received two failing grades on his report card.

My daughter has also missed a lot of school. We just received a warning list, a warning from East regarding attendance. She is now seeing a doctor for counseling to help her deal with the trauma of September 4th. We almost lost her to the flood.

Our basement is almost finished, and we're living at our house. Last weekend, I was raking leaves from the street. The storm sewer on the north side of my house is packed with leaves. It was the only one that was operational on the day of the flood. The other corners have been collapsed for 10 years. I've called the City for years to repair the storm sewers on the other corners, but I was told there was no money to do so. Instead, they installed another one on the other side of my property to help take some of the water. It's no surprise that, of the four corners, my home was the only home condemned and the only one that had any damage as far as I'm aware.

There was standing water on the corner of the street this morning. The cement edge of the creek by my home is now eroded after the flood, and there is around six feet of mud and garbage blocking the water flow under the bridge. We signed an authorization around five years ago for the city to come on to our property and repair the creek. We never saw anyone. The creek has not been cleaned in at least 10 years.

The City of Rockford must maintain and repair the storm sewer system, and keep the creek cleaned and replace portions of it when needed.

The flood cost, with personal items lost and repairs, around $60,000. We had $31,000 of structural flood insurance. I don't want and can't afford to have a repeat of this problem when the spring thaw starts. Major renovations on the creek and the sewer systems need to be done now, not after another three-year study.

(Applause.)

Chairman MANZULLO. Reva, you did have flood insurance?

Ms. GOETTSCH. Yes.

Chairman MANZULLO. Why did they only pay $31,000 of the $60,000?

Ms. GOETTSCH. Because I've been angry at First Stolman Bank for 23 years that I had to have flood insurance, and that's what the amount of my loan was on my home. Every year, I would take it down to match the loan amount on my home.

Chairman MANZULLO. And the $60,000, was that structural repairs?

Ms. GOETTSCH. No. No, I think the structural was $46,000.

Chairman MANZULLO. $46,000?

Ms. GOETTSCH. That includes the furnace and everything.

Chairman MANZULLO. Okay, and so the flood insurance diminishes with the amount of the mortgage, principle, is that correct?

Ms. GOETTSCH. Yes, that was my choice. They cut us a check for the $31,000.

Chairman MANZULLO. Thank you. Our next witness is Livetta Houston. Do you have some pictures for us, Livetta? Chris, do you want to help her with those pictures? She might want to show them to the folks at FEMA.

Did you need the pictures in your testimony, Livetta? All right. Go ahead.

Ms. HOUSTON. Hello, my name is Livetta Houston. My family and I resided at 2528 Holmes Street, Apartment 6. I am here to tell you about the pain and suffering we went through on September 4, 2006. Here are some pictures we took the next day. Water pouring in the windows throughout the apartment. Notice, I didn't say "homes," because I can't afford a home. I am not a homeowner, but this is an apartment which my family and I had called home.

My fiance had ran to the back of the apartment to get our son, A.J. out of the bed. His bed was under a window with an air condition unit in it. Just in time, my fiance pulled my son by his feet, right before the air conditioning unit fell on the bed where my son was laying.

We had to run through the apartment to get to the front door of the apartment where my daughter was holding the door open. The electricity was still on. The landlord did not cut it off while we were still there, and the water was above my knees.

My children had no shoes, only pajamas on. None of us had no jackets or shoes. My children were crying, and asking, why is this happening? I had no answer and I still don't. After what we went through, we have every right to know what's going to happen. Why isn't our situation considered a disaster? Many of us here tonight went through so much we didn't see coming, and it wasn't an act of God.

These days, I have to work extra hard to get what I had already worked for. Christmas this year isn't. Help us here in Rockford. Thank you.

Chairman MANZULLO. Livetta, where did you move after you left your home?

Ms. HOUSTON. Right now? In the beginning, we started—we saved a lot of money and moved to 2528 Palm Street where it was a more convenient place to raise my kids. Now I'm back in the

same situation. I live off of Dempster, where it's not safe for my kids to walk.

Chairman MANZULLO. You want to explain to the gentlemen from FEMA what Jane Adams Home is?

Ms. HOUSTON. Excuse me?

Chairman MANZULLO. Do you want to explain to the gentleman from FEMA what the Jane Adams home is?

Ms. HOUSTON. Jane Adams is a complex out here where they put low family income, where you have to meet the standards, the guidelines, you have to do what you're told. When I moved out of there, I was paying $100 and something for rent, and I didn't want that for my family and my two kids. So I worked extra hard. I worked at the Hoffman House. I got a job. I moved to a place where I was paying $425 a month. Now I've got to work and live somewhere where I got to pay $575 where it just isn't safe. I liked it where I was. I mean, what are you going to do for us? I mean, we weren't in a hurricane, but still we suffered. We lost. I mean my two kids, their birth certificates, one of my children was born here, and one was born out of Illinois. How will I get that back? I can't get none of that back.

Thank you.

Chairman MANZULLO. Thank you, Livetta.

(Applause.)

Chairman MANZULLO. Our next witness is Brenda Arnold. Rich, do you want to help her get the mic?

Brenda, you might want to stay there so we can see. If you get too much closer, we won't be able to see you. Can you all see her?

Okay.

Ms. ARNOLD. Hi. My name is Brenda Arnold, A-R-N-O-L-D. We reside at 1811 15th Street, where we're first time homeowners. We had lived there not quite two years, and as far as it goes for me, I have a lot of health problems. On September 4th of the flood, our home was flooded. My husband went to go down to the basement, and he met the water coming up the stairs, windows cracking and all. I have to be confined to a wheelchair because I'm not able to walk. Well, I can walk, but not like everyone else. I'm not able to get around without a walker or a cane or crutches or something like that.

During the flood, the water came all the way up to the second floor. We're sitting in there with the electricity still on. The electrical box is downstairs, the outlet is covered with water. We were in so much danger being there in that water waiting to be rescued, and it was just God's will that any of us didn't get electrocuted.

The flood was so devastating to us. It was nine of us in the home at that time because we were about to sit down and eat. The kids had came in from Arkansas and here to cook and everything for me and my husband so we could celebrate that day. And everything happened so fast that, you know, we couldn't believe it. You hear about these things way off, but you don't expect them in your home. No, there was no fatalities, but yet and still a lot of people lost a lot of things. And could have lost their life, but God didn't see fit.

I was afraid because I'm sitting there in my chair, calling 911. I think I made about 10 calls to 911 to be rescued on that night.

It was like 9 o'clock that night before we got rescued, and that was the guys from Belvedere that came in and rescued us. And I thank God for that.

We lost our home. It's been condemned. We lost everything in the home. We lost vehicles, and none of this stuff can be recovered. A lot of my medical equipment, motorized wheelchairs, walkers, just everything that I needed for even medications that was lost in the flood, clothing. We didn't have any clothing. We lived in a hotel for two months. Now we're in an apartment. Now we have to pay mortgage plus pay rent. We're not able to afford that. We know that the money is there to help, but will you help? That is the question. Not just for me, but for everyone that is here.

(Applause.)

If you haven't walked in our shoes, you really don't know what we're going through. And to think that it may not happen to you some day is really something you all will think about. We didn't ask for the flood. It was an act of God, and He did spare our lives, and I don't feel like He brought any of us this far to leave us, and I'm praying and hoping that He will put on your heart, your mind, to help the people of Rockford, Illinois to restore—we can't restore everything. We know this. But if you would just help to put us back in our homes to help us.

Some of us can't afford to go out and say, well, I'm going to take out a loan. Why are we going to take out a loan for homes and things when we already have a lot of overhead? We can't afford it. We did have flood insurance, but like the other lady was saying, it don't cover the home. It don't cover what was in the home. The homeowner's insurance, we have that. But no, it's not covered by flood. We don't have flood—it don't cover that.

So what are we, as citizens of Rockford, to do? Think about it. It could have been you. So don't just turn your backs on us because there was no fatalities, or because it wasn't you. But consider that it could have been you.

I miss my home. And I could have lost my kids and my grandkids on that day. If not drowned, we all could have been electrocuted sitting right there in the house. I had even called ConEd to come and shut the electricity off. Do you know when it got shut off? A few days later. A few days later.

Chairman MANZULLO. Brenda, how much flood insurance?

Ms. ARNOLD. $35,000.

Chairman MANZULLO. And have you received estimates on the cost to fix your house?

Ms. ARNOLD. It's way over—

Chairman MANZULLO. Could you identify yourself and speak into the microphone?

Ms. AKEENO ARNOLD. I'm Brenda Arnold's daughter, Akeeno Arnold. The estimated damages of the flood for our home were around $130,000 or more because a wall had caved in. We're still dealing with the mud being in the basement, major items still being in the basement. The house actually needs to be lifted. Both of my parents are disabled and on fixed incomes, and they're not able to fix the damages that are going on with the house, and my mother had suffered from open heart surgery earlier that year, and she's dealing with an overwhelming amount of stress, dealing with the insur-

ance companies and what not, trying to figure out what's the next step. And we just implore that you just help us, and help us in an effort to fix what is damaged. And we thank you.

Chairman MANZULLO. How much are the mortgage payments each month?

Ms. AKEENO ARNOLD. $914.

Chairman MANZULLO. $914?

Ms. AKEENO ARNOLD. Yes.

Chairman MANZULLO. And what's the balance of the mortgage?

Ms. AKEENO ARNOLD. $51,000. We had only been there a year and a half.

Chairman MANZULLO. Okay. Thank you very much. We appreciate it.

(Applause.)

Chairman MANZULLO. Tricia Scanlon.

Ms. SCANLON. Hi, my name is Tricia Scanlon, S-C-A-N-L-O-N. My family and I were severely affected by the Labor Day Flood as well.

We actually had several friends come and help us remove all of our walls and flooring the very next day and have estimated our damage at about $40,000.

Every bit of carpeting and padding in our home needed to be removed, along with the bottom two feet of the dry wall and the plaster. One entire room needed to be gutted, as the subfloor and walls were made from particle board. The foundation has sunk where the quarter basement used to exist. Our furnace needed to be replaced.

I myself did some research on how to ensure that we can remove any and all material that could grow mold and/or bacteria and I believe we did a decent job. We had our well water tested. It was positive for e.Coli as well as coliform. We then had a well contractor come out and he has chlorinated the well, but unfortunately, we are still unable to drink our water.

We have purchased a water cooler and five gallon bottles of water for our consumption. Obviously, all of this costs money and we quickly ran out of it.

One point I would like to make is that our home is located on Hillcrest Road far from Keith Creek. From the information that I gathered, we're located in Zone B and our home is not even on a flood plain map. All of the water damage to our home was from the runoff that came from three different directions from that rainfall event. We did not have flood insurance. We were not even offered flood insurance for our home.

My three-year-old son's room was the most adversely affected and we've done our best to make his space liveable. Fortunately, I come from a family of do-it-yourselfers and we are able to do a lot of this ourselves. However, we don't have any more money to purchase the supplies that we need to complete the restoration of our home. We consider ourselves to be the lucky ones. We're able to live in our home. What about all the rest of these people that are still not returning to their homes? Please, reconsider your decision. We need help. We can't do this on our own.

(Applause.)

Chairman MANZULLO. Thank you. I want to slip in two more witnesses. This young lady, why don't you come up and identify your-

self. Spell your last name for the record and then when you're finished, Jeff Holt, the Alderman, an Alderman who represents some of the area impacted, wants to give a brief statement.

Go ahead, please.

Ms. KNIGHT. My name is Tanya. My last name is Knight, K-N-I-G-H-T.

I have been living in Elgin in low-income housing. I have four children and in July I purchased my home here in Rockford. It was my dream. Two months later, the flood comes. All my children's clothes, everything I worked for was washed away. Half the stuff was still in the basement in boxes because I had only been there for two months.

We were trapped in the house. The water, I had over 14, easily 14 feet of water come into my house. I live on 7th Avenue and the creek is right in my backyard, so I was getting flooded from four different directions.

I'm the only one in my house who can swim so I could not get my four children out of the house because I was watching big, huge dumpsters, I mean commercial dumpsters flowing down the road, pieces of people's porches, cars bumping into each other, people outside—the people that live next door to me are very elderly and they were screaming for help and I couldn't even get to them to help them.

This flood has changed my life. It has changed my children's life. To hear my 12-year-old daughter and my 8-year-old daughter crying are they going to die and being trapped in a house with sewage and hearing my animals in the basement dying and there's nothing worse than hearing an animal dying and you can't do anything and your children are hearing that, to have nothing left, no fridge, no cabinets, no nothing.

Yes, I had flood insurance. Have I seen a penny of it? No. I'm still fighting them because they're trying to tell our family that all the damage to my whole basement buckling where the earth gave way and the water was coming up through the basement and the foundation cracked so severely, they're still trying to say it was due to the house settling. The house didn't settle that day. A flood happened that day, a flash flood happened that day.

We were told, we got rescued in a boat. Do you know what that feels like to leave your house in a boat? A boat that you worked so hard to watch your dream get washed away. I'm not trying to give you a sob story. I'm just trying to let you know we are hard-working people. That was our dream. This is our dream. Look at these people.

(Applause.)

Please, take one minute, please, just take one minute and look at these families. It's not me, it's not them. It's everybody. We were promised that you would help us. We were told—I lived at a shelter. I am still homeless. I can't even go home. There is no Christmas for my children. I work six days a week right now and every penny I have is trying to fix this house that was my dream. Please help my children go home. Help us. I just want to go home. We want to go home.

(Laughter.)

Thank you.

Chairman MANZULLO. Tanya, do you want to tell us the name of the insurance company?

Ms. KNIGHT. I'm not here to slander anybody.

Chairman MANZULLO. Okay. We're just trying to help and sometimes by letting people know that the insurance company is—this is not percolating water, this is crap that they gave you.

Ms. KNIGHT. It was Farmers Insurance. My cheapest estimate to fix my home was $45,000. Do you know what the insurance is offering me? $20,000. Tell me what that is going to fix? Tell me that. I'm living with a family from a church, the Hallstrom Center, the Four City Fellowship that owns the building. I'm living with a family I only knew three days. I've been there for months now. I'm sure they want their home back. I want to go home. We want to go home.

(Applause.)

Chairman MANZULLO. Thank you, Tanya.

Jeff Holt?

Mr. HOLT. Thank you, Congressman Manzullo and gentlemen from FEMA. What you heard tonight were a number of stories from residents in Rockford that were devastated by a freak storm, as you know. The problem is is that these are only a small number and a small representation of the devastation and the impact that families are facing throughout our community.

We're not asking you to solve all of our problems. We're not asking you to replace our personal belongings like photos and memories because you cannot simply do that. Many of the people that lived in these areas that were affected are in one of the poorest zip codes in our entire State. These families worked hard every day, some working two and three jobs simply to be able to pay their mortgage, pay their taxes and to put food on their family's tables. Affected by a flood and a devastation that these folks have experienced, it is impossible for them to be able to rebuild their lives. Hundreds of families in our community are faced with a decision of whether to file bankruptcy, have their homes foreclosed upon, those types of actions stay with these families for a decade, if they have to make that decision, if they're unable to rebuild their homes.

You've heard stories from people that had to reduce or chose to reduce their flood insurance and you may be thinking to yourselves, well, why would you do that? Well, many of the reasons that these folks did that is because flood insurance is expensive, oftentimes two times what homeowners insurance costs. They made that decision not because they didn't want to pay it. They made that decision because it was a decision they financially had to make, that they were forced to reduce their insurance so that they could afford to put the food on the family's table.

So we only ask that you review the additional information that the city has given. We understand that if you did not have all the information to make your original decision, that you may have made a fair decision. But now that you have the information that the city has presented to you and IEMA and Congressman Manzullo and our two Senators from this State, we ask that you look at that hard and make a decision based on that evidence. Thank you for your time.

(Applause.)

Chairman MANZULLO. Thank you. For the rest of the hearing we're going to have the testimony of General D'Araujo and then we're going to have the open mic, so those of you who have been victims of this flood, I would encourage you to give your stories and I know it may be difficult for you to do so, but this is the best way that we can document the extent of the nature of the loss.

General D'Araujo.

STATEMENT OF MAJOR GENERAL JOHN R. D'ARAUJO, JR., RECOVERY DIVISION, FEDERAL EMERGENCY MANAGEMENT AGENCY, DEPARTMENT OF HOMELAND SECURITY

Gen. D'ARAUJO. Good evening, Chairman Manzullo. Thank you for inviting us.

I am John R. D'Araujo, Jr. I am the Director of FEMA's Recovery Division. I am really pleased and honored to appear before your Committee to summarize and discuss FEMA's emergency response and the declaration process in the event of a natural or a manmade disaster. In particular, Governor Blagojevich's, if I have that name pronounced correctly, September 11th request for a major disaster on behalf of the State of Illinois.

Before I provide an overview of our efforts in relation to the City of Rockford and Winnebago County, I would like to talk briefly about FEMA's role and authorities under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

When an event is of the magnitude or severity that effective response is beyond the capabilities of the State and the local governments and federal assistance is necessary, this Stafford Act authorizes the President to provide emergency assistance to States and local governments. I would like to stress that FEMA assistance was designed by Congress to be supplemental in nature.

A Governor may determine, after consulting with local government officials, that response or recovery may be beyond the combined resources of both the State and local government, and that federal assistance may be needed. As you heard earlier from the gentleman from the State to assist the Governor in determining if a request for assistance should be made, a preliminary damage assessment may be conducted at the request of the State. These assessment teams, as you heard, are comprised of both FEMA, the State's Emergency Management Agency, county and local officials, and the U.S. Small Business Administration.

I think it is important to note that while FEMA may collect information about all types of damage, only the damage that would be eligible for FEMA assistance is considered in the evaluation process.

As you heard on September 8th and 9th, and again on October 5th and 6th, FEMA conducted preliminary damage assessments in conjunction with the State of Illinois and the City of Rockford. We at FEMA do not believe that there's any dispute about the relevant damage, what the relevant damage numbers are for this disaster. The remaining question is what do these numbers mean? And I believe that's why you asked us here today. I do, however, need to point out that the State as you heard has recently submitted an

appeal and it would be premature for us to comment on that appeal at this time.

At to the conclusion of these joint damage assessments, the Small Business Administration determined that the damage was sufficient, both between both homes and businesses to warrant a Small Business Association declaration. This kind of a declaration makes low cost loans available to home owners and businesses to assist in recovery from a disaster event.

However, it is my understanding that the SBA cannot act because there has not been a formal request from the State—

Chairman MANZULLO. That's not correct. I am the Chairman of the Small Business Committee. I talked to Herb Mitchell who is the person at the SBA in charge of the disaster recovery. They are set to come out here. The reason they have not opened up the office yet is because they're waiting for the decision on FEMA, so you don't have two competing agencies. But they are set and ready to go.

Gen. D'ARAUJO. Right. We understand that they determined that there is sufficient—

Chairman MANZULLO. That's correct.

Gen. D'ARAUJO. —for an SBA declaration.

Chairman MANZULLO. That's right.

Gen. D'ARAUJO.

The Governor's Initial Request for a disaster assistance was denied on October 20, 2006. The determination to deny federal assistance was made in consideration of the results of the damage assessments conducted and reflected the President's assessment that the scope of damage was within the combined response and recovery capabilities of State, local, and volunteer agencies, such as the Red Cross, the Salvation Army, and others as was discussed earlier.

The Stafford Act restricts the use of an arithmetical formula or a sliding scale based on income or population as the basis for determining the need for federal supplemental aid. As a result of that, FEMA assesses a number of factors to determine the severity, magnitude, and impact of a disaster event. The Mayor alluded to some of these, but these factors include amount and type of damage, dispersion or concentration of that damage, the level of the insurance coverage in place, assistance available from other available sources, and again this is State, local, and voluntary agencies. The frequency of disaster events over a recent time period and the scope and magnitude of unmet needs of those affected by the event.

The very nature of disasters through unique circumstances, the unexpected timing and varied impacts, precludes a complete listing of all the factors considered when evaluating disaster declaration requests, because they are bound to be different for each event. No single factor of those that I just mentioned are considered in isolation when developing a recommendation for the President.

On October 24, the State of Illinois formally indicated their intent to appeal the denial of this disaster request. The State's supporting information was received by our regional office last week. And since the time of the event, FEMA's Region V Office and FEMA Headquarters have been in frequent contact with represent-

atives from Rockford, the State of Illinois, and congressional staff to discuss the declaration process as well as our programs.

FEMA will review all the information it has received from the State and give it every consideration. We recognize in FEMA that all disasters, no matter how large or how small, can be devastating to the people in the communities affected by them. We sympathize with the home owners' efforts to repair their homes, rebuild their houses, replace furnishings and personal effects, and recover from the flood event. Let me assure you that FEMA employees are compassionate people, dedicated to public service, and they understand the importance of providing relief to disaster victims. That's what we do. While we do realize that there are those in need, FEMA must operate within the authorities which govern our programs, as well as recognize the state-federal relationship and partnership that exists.

On a housekeeping note, Mr. Chairman, on page 5 of our written testimony, the last line should have read "there were no serious injuries or death as a result of the event." And with your permission will submit corrected testimony to the Committee.

I want to thank you for the opportunity to provide you the insight into FEMA's declaration process, and our ongoing outreach and work with the State of Illinois following this event. We would be pleased to answer as many of your questions as we can.

[Major General D'Araujo's testimony may be found in the appendix along with Mr. Edward Buikema's testimony.]

Mr. MORRISSEY. Yes, I appreciate the—I guess we'll do open mic after. I've got a few questions and I don't want to take up too much of the citizens' times for open mic.

Chairman MANZULLO. How many here have a desire to speak at the open mic, do you want to raise your hands? I see one, two, three, four, five six—okay.

Let's go to the open mic first, all right? If you folks want to line up over here behind the podium. Rich, could you help them? If you could each limit your testimony to approximately two minutes and it's important that the—Pat Curran, where are you? Alderman Curran.

Pat, why don't you come up here and lead off and then—okay. Come on, Pat, let's move. You're just lolly-gagging down the aisle there.

(Laughter.)

Try to limit the statements to two or three minutes. Give your name and then spell the last.

Mr. CURRAN. Thank you. I'm Pat Curran, that's spelled C-U-R-R-A-N. I'm the Second Ward Alderman here in the City of Rockford. And my neighborhood, my ward, was part of that devastation and as I sat here listening to these comments tonight, I was reminded it wasn't so long ago that on television I got to watch what flood waters could do in New Orleans, for instance, and what the hurricane did and when you watch that, you think that's a terrible thing. And then suddenly it hit us and the flood waters took on a whole new meaning.

But the interesting thing that happened here in Rockford is that as devastating as it was, when the victims of that flood reached out for help, the City of Rockford responded and the citizens of Rock-

ford responded. The victims didn't shoot at anybody. And the City of Rockford did all that we could and nobody blamed FEMA or the Federal Government for the storm. And nobody blamed them because we didn't have enough boats quick enough to get the people out of there.

So we did everything that we could and now after the flood waters have receded and the mess is cleaned up, we've got to rebuild. We don't have the resources. My comment is very simple. Just help us help ourselves.

Chairman MANZULLO. Thank you, Pat.

Mr. KERN. Thank you.

(Applause.)

Chairman MANZULLO. Rich, do you want—okay. And everybody that's in line here is somebody who has suffered a loss, is that correct? That's what we want. Go ahead, state your name and spell the last for the record, please. Go ahead.

Mr. WRIGHT. Hi, my name is Rex Wright, W-R-I-G-H-T. There wasn't much said about businesses.

Chairman MANZULLO. Do you want to give us your address, please?

Mr. WRIGHT. I'm sorry?

Chairman MANZULLO. Your address.

Mr. WRIGHT. My former address was 2314 Charles Street. I had to move my business. I had been there for 20—a little over 20 years and there's approximately a one mile stretch of Charles Street where businesses on both sides of the street were damaged. I don't know if the amounts of loss are included in that or not. Mayor Morrissey was mentioning mostly about individual homes. But after over 20 years, I had to move my business. That is expensive, plus people get used to you being in a certain spot for years and years. But the main thing I wanted was just to let you know not only were individual homes, there were businesses, pharmacies, grocery stores, restaurants, offices damaged also. That's all I have.

Chairman MANZULLO. Thank you.

(Applause.)

Mr. WHITSON. My name is Giles Arthur Whitson, Jr.

Chairman MANZULLO. You have to spell the last name for the record.

Mr. WHITSON. Whitson, W-H-I-T-S-O-N. Junior. There's four of us. Before the flood, I had the opportunity to go through a flood in southern Illinois in Murfreesboro. My father lived in Gorham. I took him out of the area. He went back to the area. I'm not a person who hasn't had no experience with the flood system. I know what FEMA does. I know from experience. The thing is, the most important thing is that the City did their best of trying to help us out of what's going on.

I stood up to my rear and I'm a very tall man, as you can see, and I stood in the rear of my front yard in water. Our basement, we had four foot of water come through in one whack. The door fell apart and my son and I almost got drowned. That is nothing you can help us with. What you can help us with is try to get the funds that are able to help us help ourselves. And the most important thing is that everybody has pulled together that I know about, the

City, the Police Department, the Fire Department and by the way, I am an armed security officer, at that time, two companies. I know what it's like to be in the government. I know what it's like to go and have people need your help.

So please, help us.

Chairman MANZULLO. Mr. Whitson, the extent of the damage, dollar amount, your house? Do you have any idea?

Mr. WHITSON. We lived in our house for two months. We did not go out. As far as I know, we're the only ones that lived in the house and stayed there. The house still has no electricity, has no heat, has no water now because we had it turned off and there's not been a determined amount yet because the insurance companies has refused to come to see us.

Chairman MANZULLO. Do you have flood insurance?

Mr. WHITSON. The lady we was buying the house home had it, yes. We had a place called, a document called "rent to own" and I, ourselves, did not lose the house. The lady that was with us that we was going through, she lost the house. We lost all of our stuff and we have relocated. We will not live back in that house.

Chairman MANZULLO. The name of the owner of the property?

Mr. WHITSON. Celena is her first name. Josenberg.

Chairman MANZULLO. Do you want to spell that for us?

Ms. WHITSON. She lives in Arkansas and she has not contacted us or come back to see what it looks like.

Chairman MANZULLO. So you're buying the house from her on contract?

Mr. WHITSON. We was buying the house.

Ms. WHITSON. We were going to.

Mr. WHITSON. We've dropped it.

Ms. WHITSON. We're renting. We were in the renting process.

Mr. WHITSON. So the thing is, most important thing is for us and for everybody else in this building—

Chairman MANZULLO. We need your address.

Mr. WHITSON. The address is 622—

Ms. WHITSON. Six twenty-seven.

Mr. WHITSON. Excuse me, 627 16th Street.

Chairman MANZULLO. And you were in the process of buying it on contract?

Ms. WHITSON. Two year lease of renting with option to buy.

Chairman MANZULLO. But did you exercise your option?

Mr. WHITSON. No, we got out of it.

Chairman MANZULLO. Okay.

Mr. WHITSON. We can't go and live there no more.

Chairman MANZULLO. Okay, I understand. Thank you for your testimony.

Mr. WHITSON. Thank you very much for your time.

(Applause.)

Ms. WHITSON. My name is Marjorie Whitson and I want to thank the City—

Chairman MANZULLO. You've got to spell your last name.

Ms. WHITSON. —human services, Amy and Laurie, for helping us give the money, first month's rent for the McLintock family that helped us move into a home that they had, that they were trying to sell. So we are renting there and possibly buying from them

later. But I wanted to thank the City for all the help, the Fire Department, everybody that helped out.

(Applause.)

Chairman MANZULLO. I appreciate—we have a lot of witnesses.

Ms. WHITSON. I know. I almost lost my son and husband that night because they were in the basement. My husband was turning off the gas and lights and my son got hit by the basement doorknob. I've got the pictures to prove it, if FEMA wants to look at it.

Chairman MANZULLO. Chris, do you want to take those pictures and make them part of the record?

Ms. WHITSON. These are mine. I want FEMA to see it from me.

Chairman MANZULLO. Okay, we can do that. Thank you. Next witness?

(Applause.)

Ms. ABERNATHY. My name is Joanie Abernathy, A-B-E-R-N-A-T-H-Y.

Chairman MANZULLO. Your first name is?

Ms. ABERNATHY. Joanie.

Chairman MANZULLO. Joanie, okay, go ahead, please.

Ms. ABERNATHY. I live on the corner of 10th Avenue and 15th Street.

Chairman MANZULLO. And your address?

Ms. ABERNATHY. It's 1103 15th Street.

Chairman MANZULLO. Okay, go ahead.

Ms. ABERNATHY. I had to call the Human Services Department twice to make sure that they had us on record as having had a loss. I called the first time like right after it was advertised on the TV to call and let them know. Then I called a week later and they still didn't have us in the system. So then I went down in person, like a couple of weeks ago to make sure that we were listed as having had flood damage and I had brought some pictures to show them so that they knew that I was telling the truth.

When all the information on TV about IEMA and FEMA being in town, I never saw anybody on our street. I didn't know whether or not we were going to be included as being part of the flood damage or not—

Chairman MANZULLO. Could you tell us the extent of your damage?

Ms. ABERNATHY. We had probably about $15,000 worth of damage, not a lot. We didn't have any structure damage.

Chairman MANZULLO. Any insurance for that?

Ms. ABERNATHY. We did have flood insurance, but they did not cover everything—

Chairman MANZULLO. How much did they pay?

Ms. ABERNATHY. They paid $9,000.

Chairman MANZULLO. Structural?

Ms. ABERNATHY. And that was because of depreciation, the furnace supposedly was only worth like $1800, hot water heater was about $250.

Chairman MANZULLO. So the flood insurance was not paying you actual replacement value?

Ms. ABERNATHY. It didn't pay actual replacement cost.

Chairman MANZULLO. Okay.

Ms. ABERNATHY. But my biggest concern was the fact that it did occur when we went to purchase our home which we actually had just moved into in 2003. We did not know at the time that it was on a flood plain until we went to get the mortgage and then they said oh, you have to flood insurance. So that's an extra $550 a year on top of our already homeowner's insurance which didn't—

Chairman MANZULLO. Joanie, let me cut you off there because I want to get the rest of the witnesses—

Ms. ABERNATHY. No problem.

Chairman MANZULLO. Thank you so much. Do you have pictures there?

Ms. ABERNATHY. Yes.

Chairman MANZULLO. Okay. Chris, do you want to—

Ms. ABERNATHY. Of course, they're in black and white.

Chairman MANZULLO. That's all right. Thank you, Joanie.

Ms. ABERNATHY. Thank you.

Chairman MANZULLO. Our next witness, please.

(Applause.)

Mr. FENICLE. My name is John Fenicle and I'm representing my parents that are 85 years old and can't get here. They lived at 2113 Wellworth Avenue, just outside the county on the other side of Elkland.

Chairman MANZULLO. Do you want to spell your last name?

Mr. FENICLE. My last name is spelled F-E-N-I-C-L-E. Again, my father started working at the age of 12 years old, went in the service at 16, represented our country for four years overseas, came out at 20 years old and worked his whole life until he was 67 years old, paying federal taxes. And I feel that you know, he deserves something. He had a small house paid for, lived there 59 years, no basement. The flood came in, knocked my, literally, knocked my mom down and she has had problems with her shoulder ever since. They lost everything.

Right now if you go to their house, they have no floors in the house, no walls inside the house. They've been living with me since this disaster. It puts a little bit of a strain on both relationships, my relationship with my parents, my wife, my child and they have no place to go. They're on a fixed income. Who's going to give them a loan at 85 years old to fix up a house? I went in there just based upon if I did the work myself, to fix the floors, put new floors, new drywall, I estimate the value of about $35,000 with me doing the labor and on my free time. I would like to get them back in the house. They do not have the money to go back in there and pay for the lumber. I don't have the money to do it. But I've been helping them out, giving them a place to stay since then. Nobody has offered anything except for the Red Cross, and I want to thank them. They gave my parents $500. The insurance company gave them zilch.

(Applause.)

Chairman MANZULLO. Thank you.

Ms. MURPHY. Good evening, sirs. Thank you for listening to all our appeals. My name is Lorraine Murphy and my husband sitting over there is Michael. We've lived in our home for over 30 years and we were hit by the grace of God we did not lose our foundation

as the many homes around on our street. We live one block away from Keith Creek.

So the boats that they talk about came up and down our street and we did witness many of our neighbors that were strongly affected by the flood, many of them were Hispanic. They cannot speak English and some of them have reached out for help, but they are at a loss.

I want to also thank the County Board Member John Eckburn. He's done a lot for our community and I wanted to publicly thank him for the services that he has provided. He helped us with volunteer assistance to help the people in our neighborhood.

Chairman MANZULLO. Lorraine, the extent of your damage, the amount?

Ms. MURPHY. Sir, I'd say it's about $25,000. We do not have flood insurance, but we do carry homeowner's insurance. We have had assistance from Human Services and I'd like to thank also Jennifer Jaeger who has helped us with funds for a furnace and I have been working on that since after the flood. But I do appeal to you, sirs, on my behalf and on behalf of the people that are here for funding for us.

Thank you.

Chairman MANZULLO. Lorraine, how much of that is structural damage, the $25,000?

Ms. MURPHY. Sir, I'd say about maybe $10,000 would be structural, yes, sir.

Chairman MANZULLO. All right.

Ms. MURPHY. Thank you.

Chairman MANZULLO. And we need your address.

Ms. MURPHY. 1608 6th Avenue, Flood Water City.

Chairman MANZULLO. Okay.

Ms. MURPHY. Thank you.

Chairman MANZULLO. Thank you, Lorraine.

(Applause.)

Chairman MANZULLO. Hang on a second. Go ahead, please.

Ms. KREBSBACH. My name is Sandy Krebsbach. It's K-R-E-B-S-B-A-C-H. I live at 817 13th Street, about half a block from Keith Creek. So there was about eight feet of water in our street and there—we live rather up on a hill and the water was like four feet up on the house. The back wall caved in. My husband got out with my son who came over to rescue him and the cat, but when they got out, I've seen one of the pictures of the firemen wading in water up to here and that's about how deep it was on them.

The estimated damage to our home is $70,000.

Chairman MANZULLO. $70,000 in damage?

Ms. KREBSBACH. We're not living there. We're living with our son right now. We've been there since September 4th. I wasn't home—I was trying to get home, but he was the only one there. And the process of getting things taken care of has been very slow with the insurance company. We did have flood insurance, but we've gotten $15,000 and that doesn't even start to—

Chairman MANZULLO. That's all that they offered or that's all you have?

Ms. KREBSBACH. No, that's all we've been able to get so far. We've had quite a run around between the mortgage company's

name being on the check trying to get more money from the insurance company and it's been a real hassle. And I told them last time I talked to them, I said you know, losing your home like this is one thing, trying to get it fixed is another thing because it's such a hassle trying to get the money from the National Flood Insurance Company through who we have it.

We had the flood insurance, but it just isn't coming together very well at all.

Chairman MANZULLO. Okay, thank you, Lorraine.

Ms. KREBSBACH. Thank you.

(Applause.)

Ms. JENKINS. Hi, everybody. My name is Julie Jenkins. J-E-N-K-I-N-S. And I live at 1644 8th Avenue. I purchased the home in May of 2004 and found out the day before closing that it required flood insurance. I pushed my closing back and because of that I took out a $5,000 deductible in order to purchase the home at such a late stage of the game.

We weren't as severely affected as many. We were very, very fortunate. My house is the very last house on the east side. The house on the east side of me did not get any water. My neighbors on the west side had their basement filled to the rafters with water. My home, because it was remodeled and I have brand new windows in the basement, my basement windows held although the water was above them. We had water seeping through the walls and water seeping through the back stairway because it was over the doorwell.

Our damage is estimated between, I've had a few different contractors come in and to get it to where it was because it was completely remodeled, it was our master bedroom, we no longer can occupy that space. Between $7,000 and $12,000 were estimates that I received. Our adjuster put our damage at $2,998.33, something ridiculous like that. And because of the $5,000 deductible, we won't receive anything from flood insurance.

Our mortgage company has let us know, I can't take out a home equity loan because of the damage to my basement. It no longer is worth what it was. And that's the main part of my question is what's left when the water recedes? The mold problem is an extremely dangerous problem that a lot of the residents are facing and it's a health hazard and it's not going to go away on its own. What happens to my resell value of my home? Who's going to want to purchase it? It may never happen.

Chairman MANZULLO. I am going to have to cut you off, so we can get the rest of the witnesses up. We have all the testimony that we needed in that.

Ms. JENKINS. I think 500 percent discrepancy in—I would be fired if my estimate was that off.

Chairman MANZULLO. Thank you.

(Applause.)

Mr. PACE. Good evening. My name is Dan Pace, P-A-C-E. I am Julie's next door neighbor. I did have approximately six and a half feet of water in my basement.

Chairman MANZULLO. Your address?

Mr. PACE. 1648 8th Avenue. We had an estimate for the electric for almost $5,000 to redo my electric and a little less than that for my heating and air conditioning that was all submerged.

We actually quit getting estimates after that because we had no idea how we were going to pay for this. I've been fortunate enough to have some—a lot of friends and family members help me. We have a lot of work yet to do and because of the rain that we've had today and apparently the soil is eroded from my yard because I now have water in my basement this evening before I left, I noticed water in my basement again.

The soil is about six inches lower than what it normally was after the flood. During the flood, when the water was receding it was bubbling in my yard, like something I've never seen before, which makes me wonder what happened under there.

Chairman MANZULLO. What is the estimate of the amount it would take to repair your facility?

Mr. PACE. I have no idea because with the furnace and the electric was close to $10,000, but I had three bedrooms downstairs, washer/dryer.

Chairman MANZULLO. Do you have any flood insurance?

Mr. PACE. No. So I estimated, we've put 23 rolls of insulation up, probably about 65 sheets of drywall will need to be brought in, over 140 2 by 4s we brought in and put up. I have no idea what this would cost to finish the basement.

Chairman MANZULLO. Okay, appreciate your testimony. Thank you.

(Applause.)

Mr. KIRSCHBAUM. Good evening. Thank you, Congressman, Mr. Mayor. My name is Tom Kirschbaum, K-I-R-S-C-H-B-A-U-M.

Chairman MANZULLO. Tom, could you speak more directly into the mic?

Mr. KIRSCHBAUM. I most certainly will, Congressman.

Chairman MANZULLO. Thank you.

Mr. KIRSCHBAUM. Wife and I and the kids, we moved into our McArthur Avenue, I'm sorry, McArthur Drive house back in—

Chairman MANZULLO. What's the address there?

Mr. KIRSCHBAUM. 1727 McArthur, in the Rolling Green area right across from Rolling Green School in 2000. We weren't required to have flood insurance because it's not a flood plain. Three times since we've moved in, water has backed up the sewer and has come into our yard. Well, in September it came up to our yard, it came up to our front doorstep, busted out a basement window and we ended up with eight feet of water in our basement.

We just need the storm sewer in the front fixed as it's been promised. It's on the books for the City, but again, they had stated there's no funds available, but the plans are there. So that's where I think the Federal Government needs to help us out a lot in the City.

Chairman MANZULLO. The extent of your damage?

Mr. KIRSCHBAUM. Our damage, structural, about $20,000 and all of that has been repaired except for one little item, but now we have $20,000 on our credit cards. Anywhere from 12 to 23 percent interest. And that's what's killing us right now, but we're one of the lucky ones. We were able to clean what we can, got it back,

being out of the house for five months, or I'm sorry, five weeks with the assistance of the City. But it's hard. Thank you.

Chairman MANZULLO. Thank you.

(Applause.)

Mr. MOORE. Hello, my name is Ted Moore, M-O-O-R-E.

Chairman MANZULLO. Your address, Ted?

Mr. MOORE. Ted.

Chairman MANZULLO. No, your address.

Mr. MOORE. Pardon?

Chairman MANZULLO. Address.

Mr. MOORE. 1653 6th Avenue. I was told by the gentleman that services my furnace that he could not do any repair work because he would be in trouble with the City of Rockford, that my furnace needed to be replaced and also I know that the repair costs to many of the—to repair many of the homes that we're dealing with here in this area is costing more than the market value of our homes.

Chairman MANZULLO. What is the estimate to repair your house?

Mr. MOORE. $1500.

Chairman MANZULLO. $1500?

Mr. MOORE. To replace the furnace.

Chairman MANZULLO. The furnace. What other damage do you have?

Mr. MOORE. That's about it.

Chairman MANZULLO. Okay. So you got by relatively lucky compared to some of the folks here.

Mr. MOORE. Yes.

Chairman MANZULLO. Okay, thank you.

(Applause.)

Mr. RODRIGUEZ. Hello, my name is Tomas Rodriguez, R-O-D-R-I-G-U-E-Z. We live at 901 13th Street.

On June—end of June of this past year, my wife and I were trying to live the American dream by buying our first home. Unfortunately, we made one payment to our mortgage towards our home and we got flooded out on September 4th. We are here to ask you for help. We have already dropped $3500 into our home and the damage that we have estimated as anywhere from $30,000 to $40,000. We have stopped working on our home now because we have run out of funds. So we are here to ask you not to allow my wife and I and all the other families that are affected from the flood of September 4th lose their American dream. Thank you.

(Applause.)

Chairman MANZULLO. Thank you.

Ms. BRADFORD. Good evening. My name is Philicia Bradford and I reside at 828 14th Street and 8th Avenue. First of all, I'd like to thank God for no one losing their lives in this horrible tragedy, because it was horrible watching it. And I thank God that—for the Red Cross and the Salvation Army being there for us on a daily basis every day, faithfully. God bless them all and the City of Rockford.

July 5, '03 I resided at 427 Albert Avenue, the storm after the 4th. I was without power for 18 days and let me see, August 13th of that same year, a month later, I lost my home to a tragic fire. I lost everything, my entire home, my two-story, three bedroom

home. I moved over here on 14th Street November of '03. I've been here ever since. Like I said, Red Cross has been there for me for those tragedies, but I've never had assistance like—you never recover you know the hurt and pain and the anguish and the suffering and the lack of support that you needed that, if you have to ask somebody then, I felt like I didn't need help. I mean I didn't need, I wasn't worthy. So I didn't seek like I needed.

Okay, and I come over here and I'm here for three years.

Chairman MANZULLO. Could you tell us the extent of your damage?

Ms. BRADFORD. I have 11-year-old twin girls, one is going through counseling. The other is a straight A student. They attend Swinn Middle School. She lost her computer, all that stuff, everything that just is—and then like I said Salvation Army and the Red Cross and the City, they were there.

Chairman MANZULLO. Ma'am, could you tell us—did water come in your basement?

Ms. BRADFORD. Oh, we lost everything in our basement.

Chairman MANZULLO. And you own this home?

Ms. BRADFORD. And our garage. I'm a renter and by the grace of God, I have a good landlord. His name is Dan Morrissey. When I moved in, he told me there is no relationship, but anyway, he was there the very next day on the spot. He's still there working right now today. I mean and just seeing all this, all the debris still coming out of people's homes and all the hurt and pain and suffering that we've all gone through, God bless us all.

My neighborhood looks like a ghost town. There's no children. There's no people. It's sad and it hurts me and God, please put it in your heart and within you to help us that lost what we no longer have, that we can't repair or replace and thank you. That's all I have to say.

Chairman MANZULLO. Thank you. Appreciate it.

(Applause.)

Ms. BRANCH. My name is Marsha Branch. I live at Sexton Drive, 1708.

Chairman MANZULLO. Will you spell your last name for the record, please?

Ms. BRANCH. B-R-A-N-C-H.

Chairman MANZULLO. Go ahead.

Ms. BRANCH. I don't know why but nobody mentioned the problems that we had with the hail, the day of the storm. There was hail also and we had about two feet of hail in the yard for two days and that damaged the roof, so the neighborhood, they needed new roofs. Some insurance are not paying for the roof.

My basement had four feet of water in it. I came to this country 19 years ago because I believe in the American dream and I cannot believe that I'm living this nightmare here because I believe in America and I came here for better things.

I have been suffering now with this, my house had sewage in it and after I clean myself because I couldn't afford anybody to clean, and now I have asthma and I have mildew, black mildew in my basement.

Chairman MANZULLO. Could you tell us how much damage to your basement in terms of dollars?

Ms. BRANCH. Well, I need a new washer, new dryer, water heater, everything, furnace, and my basement was finished with wood paneling. We had to pull the paneling out to look behind. It's full of mildew. My house smells. The odor came from behind. I had family room in the back of the house. It was flooded. I had to throw furniture out, the carpet and everything.

I asked for help, but by help I called the County and the County had the firemen. I met the Mayor the last time in a meeting in a church.

Chairman MANZULLO. Did you have insurance?

Ms. BRANCH. I'm asking for help with my health because I haven't—

Chairman MANZULLO. Listen to my questions, okay? I need—how much damage to the house in dollars.

Ms. BRANCH. $20,000.

Chairman MANZULLO. $20,000?

Ms. BRANCH. Yes.

Chairman MANZULLO. Did you have any insurance?

Ms. BRANCH. No, I never knew I needed—

Chairman MANZULLO. You have no flood insurance?

Ms. BRANCH. No. Nobody ever told me that. I do have cleaning, I worked for 19 years cleaning houses here.

Chairman MANZULLO. I need your address and then I want to get on with the rest of the witnesses?

Ms. BRANCH. 1708 Sexton.

Chairman MANZULLO. Sexton.

Ms. BRANCH. Yes.

Chairman MANZULLO. Thank you very much. Is that in Rolling Green? Keith Creek, okay. Thank you.

(Applause.)

Mr. VANDERGRIFT. My name is Adrian Vandergrift. It's kind of long, V-A-N-D-E-R-G-R-I-F-T. My wife and I own a small four-unit apartment building on the addresses 4418 Yale Drive. It's located just southwest of the Harrison and Alpine intersection in Rockford. On September 4th, the basements in the building quickly flooded. One was filled with about seven feet of water and then the other one was filled with about six feet of water. Our repair costs were $12,000. That was clean up, four furnaces and four water heaters. That does not include the loss of personal property, the residents' personal property.

We did not have flood insurance. We do now, even though I found out we're not in the flood plain and we're apparently in an extremely low-risk area. We got flooded. So we've got it now and we did what we had to do to get the property cleaned up as quickly as possible to get the folks back in, but since we didn't have flood insurance, the $12,000 came out of our personal finances and we're a single-income family. Our property wasn't condemned, but it still did cost $12,000. I know there's a lot of folks who got hit a lot harder than we did, so any assistance would be greatly appreciated.

Chairman MANZULLO. Thank you.

(Applause.)

Mr. SALES. My name is Tim Sales. S-A-L-E-S. Thanks, gentlemen, for coming out. I live at 913 13th Street. We were one of the people who had the basement wall collapse in. We did have flood

insurance. Our insurance gave us a check for $19,000. That doesn't even begin to cover half. They will not pay to replace the wall, what it would cost to bring it up to city codes. They'll only replace it the way it was, as it was built in 1934. We did not know that the house did not have footings under the wall and that's part of the code requirement. And so for us, we are in the process of filing bankruptcy. We had flood insurance. We did everything we thought we could do. We went to the bank to ask for a loan because we had been in the house two years, we don't have equity. We don't have cars as collateral because of the flood. And our mortgage company was not willing to give a deference or anything like that to help. So we are in the process of losing our first house.

Obviously, no one planned for the flood and no one could have stopped it, but we're just kind of at our wits' end. We can't get more help from the insurance company. They won't help and that's what I would say the total damage is over $45,000 and they gave us a check for $19,000.

Chairman MANZULLO. Did they say why they wouldn't pay you more than $19,000?

Mr. SALES. Part of it was replacing the wall, so we have to put in footings underneath the basement wall that collapsed. There weren't any footings before, but that's part of the code. It was unreinforced cinderblock. They'll pay to replace that, but that's not up to code. And then they took off everything you can think of in terms of depreciation. They took off depreciation of the paint on our garage, depreciation of wood on the garage. Anything you can think of, they took off for depreciation.

Chairman MANZULLO. Do you want to tell us the name of your insurance?

Mr. SALES. It's Hartford.

Chairman MANZULLO. Okay. Thank you.

Mr. SALES. Thanks.

(Applause.)

Chairman MANZULLO. Why don't you pull the mic down there. Thank you.

Ms. ARNOLD. Akeeno Arnold. 811 15th Street. My family and I—I spoke before, we were affected by the flood. We'd like to extend our thanks to the Human Services Department and the Red Cross. Thank you, a lot—Cindy, for really helping us out.

Due to the flood, we apparently lost a lot and we just kind of want to know, with the reconsideration of FEMA helping out, how long will it take to make another decision and when will repairs begin and how much would people receive if there was something to happen?

Thank you.

(Applause.)

Chairman MANZULLO. Thank you.

Ms. SERRANO. Good evening, my name is Terry Serrano, S-E-R-R-A-N-O. I live at 2626 Sculke Drive and the back yard is on Harrison Avenue that is being fixed. Our front yard wasn't flooded, but the back yard was. It was the Mississippi. And we have the mud flats in the basement. And if the toilet hadn't kept flushing, it would have been deeper. But God bless the toilet, it kept flowing open.

I would estimate at this time, sir, that it's going to be close to $15,000. My mother is 86 years old and we are the original owners of the home. I live with my mother because Mayo Clinic said she needed 24 hour care. She had an aneurysm about 14 years ago. I guess they didn't expect her to last that long, but they didn't know how strong my mother is. So we are at home with my mother taking care of her and trying to help—

Chairman MANZULLO. This is your mother's home that suffered the damage?

Ms. SERRANO. Yes, but she did also finally put the home in my name, but we were unaware that there was not flood insurance because we were never told we were on a flood plain when the property was first purchased.

Chairman MANZULLO. The extent of your damage?

Ms. SERRANO. Pardon?

Chairman MANZULLO. The amount it will take to fix your damage?

Ms. SERRANO. About $15,000.

Chairman MANZULLO. About $15,000?

Ms. SERRANO. So far that's what we've been putting out ourselves to fix.

Chairman MANZULLO. Okay.

Ms. SERRANO. We would have gotten the insurance, if we had known. Homeowners insurance won't pay anything because they say it's an act of God. I'm sorry, we're not bad people here in Rockford for God to punish us and I don't think the insurance company should punish us either.

Chairman MANZULLO. Thank you very much.

Ms. SERRANO. Thank you.

(Applause.)

Mr. GIARDINA. Hello, Nick Giardina. G-I-A-R-D-I-N-A. I'm next door neighbor to Bev Hanson. I watched her garage float away to Churchill Park Creek, right next door. We had $25,000 damage. It's all disaster loans. I know the place I'm working at is closing.

Chairman MANZULLO. This is to your home?

Mr. GIARDINA. Yes, it was my parents house. I took over it. It was where I was raised.

Chairman MANZULLO. Okay, and the cost of repairs is $25,000?

Mr. GIARDINA. $25,000 all together.

Chairman MANZULLO. Any insurance?

Mr. GIARDINA. Yes, they paid like $900 for roof damage from hail, Liberty Mutual.

Chairman MANZULLO. But you didn't have flood insurance?

Mr. GIARDINA. No.

Chairman MANZULLO. Okay.

Mr. GIARDINA. I know they already announced their jobs are leaving to Singapore April 24th, so I got like $25,000 new debt and like six, seven months of work.

Chairman MANZULLO. Thank you.

(Applause.)

Ms. BETANCOURT. Hello, my name is Maria Betancourt.

Chairman MANZULLO. Bruce, could you get that mic, a very soft-spoken lady. Go ahead. Do you want to start all over again?

Ms. BETANCOURT. Maria, M-A-R-I-A. B-E-T-A-N-C-O-U-R-T.

Chairman MANZULLO. Chris, why don't you take that mic off that stand there. There you are. Go ahead.

The INTERPRETER. Her name is Maria Betancourt, it's B-E-T-A-N-C-O-U-R-T.

Chairman MANZULLO. Okay, go ahead and your address?

The INTERPRETER. Her address is 815 15th Street.I was one of the citizens or residents that was damaged. My basement was flooded with water. I lost everything that was inside. Presently, what is working is only the water heater. We were able to repair that because it was a necessity. Right now we are in need of heat. Our heat is not working. When we have visiting from our grandchildren, they have to leave early because of the cold. Presently, I am the only one working. My husband is not able to work as he has a disability. The cost to repair the heating system is very expensive and it's something that I am not able to do at the present time.

I'm just wondering if it is possible for the economics of repairs to be given. It will be very thoughtful and thank you.

Chairman MANZULLO. Could you give us an estimate of the cost to fix?

The INTERPRETER. Between $8,000 to $9,000.

Chairman MANZULLO. About $9,000. Did you have any insurance, any flood insurance?

Ms. BETANCOURT. No.

Chairman MANZULLO. Thank you.

(Applause.)

Ms. TORRES. Hi, my name is Sylvia Torres. I'm at 1305 Charlotte Drive.

Chairman MANZULLO. Will you spell your last name, Sylvia?

Ms. TORRES. T-O-R-R-E-S. I came from Chicago going on five years and within the five years I worked really hard to get where I'm at. I purchased my first home and I was only there for five weeks when we got flooded. My house and my car got flooded and I still had to work. I had to go to work with water in my family room downstairs. All my furniture and belongings were downstairs. All together, it's about $25,000 to $30,000 in loss.

Chairman MANZULLO. $25,000 to $30,000?

Ms. TORRES. Yes, my insurance, they denied me over the phone.

Chairman MANZULLO. No flood insurance?

Ms. TORRES. No flood insurance. I'm not in a flood zone area. Hail and wind and still no help, but I'm just here to ask you to reconsider and not look at us as stories, as testimonies, but look at us as victims, as hard working people. We've come a long way to become home owners. We don't have the salaries some of you do.

Chairman MANZULLO. Sylvia, are you living in your home now?

Ms. TORRES. I am living in my home. I didn't lose it like some of the other victims.

Chairman MANZULLO. Is your furnace working?

Ms. TORRES. Now it is. Still, I still have to have somebody come out because now that the cold weather has started, the pilots turn on and off, but I need heat. I have three children.

Chairman MANZULLO. So you have no heat?

Ms. TORRES. I keep it on.

Chairman MANZULLO. I see, it's on all the time.

Ms. TORRES. I turn it on, whether the pilot is shutting on and off. I still keep it on. We need to live. We need heat.

Chairman MANZULLO. So the furnace needs to be repaired. Do you have any estimate, or that's part of the $25,000 to $30,000?

Ms. TORRES. Right. Okay. I had water come in from the back of my yard with everybody's water coming in to my basement, family room, but just take a look at us. We're all hard workers. Like I say, we don't have the salary everybody or you gentlemen have.

Chairman MANZULLO. Okay. Thank you very much.

Ms. TORRES. Thank you.

(Applause.)

Ms. MADRIGAL. My name is Erica Madrigal and I don't speak English too much, but I lose my basement too and I lose a lot of things. So I think we need a lot of money to fix.

Chairman MANZULLO. Could you give us your address?

Ms. MADRIGAL. 824 14th Street.

Chairman MANZULLO. You had water in your basement?

Ms. MADRIGAL. Yes.

Chairman MANZULLO. How much water?

Ms. MADRIGAL. Full basement.

Chairman MANZULLO. It went all the way to—

Ms. MADRIGAL. Almost to first floor.

Chairman MANZULLO. Almost to the first floor?

Ms. MADRIGAL. Yes.

Chairman MANZULLO. And how much damage in dollars?

Ms. MADRIGAL. About $20,000.

Chairman MANZULLO. About $20,000?

Ms. MADRIGAL. Yes.

Chairman MANZULLO. Do you have any flood insurance?

Ms. MADRIGAL. No.

Chairman MANZULLO. And are you living in the home now? Do you live in the home now?

Ms. MADRIGAL. Yes. I fixed the air conditioner and I fixed the heater, so I put up like $13,000. So we need more money to fix the basement.

Chairman MANZULLO. Okay.

Ms. MADRIGAL. I want help, you know.

Chairman MANZULLO. Thank you.

(Applause.)

Ms. PIERCE. Thank you for hearing us. My name is Betsy Pierce, P-I-E-R-C-E. 1320 7th Avenue. I feel very lucky. I only had four inches of water in my basement. My next door neighbor got six feet. I have flood insurance. My losses are about $6500. $4,000 of that is for a swimming pool. Granted, it shouldn't be covered, it's in my backyard. Flood insurance doesn't cover anything outside the house. It's my son's favorite play space. He's special needs. I can't afford to fix that. The carpeting that was in the basement, I'm not going to get anything for that. I took minimal flood insurance, $1,000 deductible. It took $1,035 to have somebody to come in and dry and pull the carpet out in order to put it back in, I have to eat that expense.

I'm a single mother. I can't do that. If you can't help us and I understand that you have guidelines you have to follow, then

maybe somebody needs to get these insurance companies to do what they're paid for.

Chairman MANZULLO. Thank you.

(Applause.)

Mr. PENZK. Hi, my name is Richard Penzk and I live at 2528 Holmes Street. Actually, I don't live there, my son-in-law lives there and he owns the building.

Chairman MANZULLO. Is he the owner of the home?

Mr. PENZK. Yes, he's buying it under contract.

Chairman MANZULLO. Do you want to spell your last name for the record?

Mr. PENZK. The reason I am speaking for him is he does not speak too well English.

Chairman MANZULLO. Do you want to spell your last name?

Mr. PENZK. P-E-N-Z-K, P as in power.

Chairman MANZULLO. So you're speaking on your son-in-law's behalf?

Mr. PENZK. Yes.

Chairman MANZULLO. And his name?

Mr. PENZK. Jozef, J-O-Z-E-F, Stefanski, S-T-E-F-A-N-S-K-I.

Chairman MANZULLO. And the address again?

Mr. PENZK. 2528 Holmes Street.

Chairman MANZULLO. Holmes Street, okay, go ahead.

Mr. PENZK. We live right across from son's plant. I own that building at first since 1980. And I never had any problems until they started to build Herson Road, fixing that. And the draining ditch has grating, the grating has only 12 by 12 inches holes and that gets clogged up by a small rain, just with leaves and little brushes. As the rain comes down, it just works its way up and then it just clogs the holes, drainage ditch.

After you are flood, as a matter of fact, you have those pictures.

Chairman MANZULLO. Did water go into your son-in-law's basement?

Mr. PENZK. Yes, that's right.

Chairman MANZULLO. How much water?

Mr. PENZK. The water went up five and a half feet. Actually, almost six feet.

Chairman MANZULLO. Six feet.

Mr. PENZK. We lost six furnaces, seven hot water heaters, two of the furnaces were only four years old and two of the hot water heaters were only one year old. I worked as a maintenance man all my life long for a major corporation here in the Winnebago area and the same night he couldn't get no one to come to the basement. I went—I used his big pump, pumped the basement. It took me six hours. Next morning, I lit all the furnaces, all hot water heaters and he pulled all the walls down. He got like 400 running feet because it's a big building. It's a six family. So it's a 100 feet this way and 100 feet that way and all the different rooms to get drywall on both sides. So as the inspectors will know we have to pull down the drywall the very next day. We worked like six weeks with the whole family until 10, 11 o'clock, midnight.

Chairman MANZULLO. Was there any insurance available? Did you have any flood insurance?

Mr. PENZK. No.

Chairman MANZULLO. What's the extent of the damage?

Mr. PENZK. At least $60,000.

Chairman MANZULLO. This is on a six-family home?

Mr. PENZK. Yes.

Chairman MANZULLO. Did your son-in-law occupy one of the units?

Mr. PENZK. Yes. Actually, I had all the heaters lit, and hot water heaters lit, but the inspector asked us to replace them, which we did. The only thing we did not replace is two down-draft heaters and that's another issue. I have to take that up with them—I don't want to get into details.

Chairman MANZULLO. Thank you very much.

Mr. PENZK. But one thing I want to tell you, I learned one lesson. Do not piss off the inspectors. Don't do that. I paid my price.

(Laughter and applause.)

Chairman MANZULLO. All right. Go ahead, please.

Mr. NUNALLY. My name is Glen Nunally.

Chairman MANZULLO. Do you want to spell it for the record?

Mr. NUNALLY. N-U-N-A-L-L-Y.

Chairman MANZULLO. Okay.

Mr. NUNALLY. I live at 626 16th Street. And have been there almost 48 years. I don't have flood insurance because when we moved there that wasn't considered flood area. So I figure I came out ahead regardless. Because I didn't have to pay that $500 or $600 a month for flood insurance. I lost probably $12,000, $15,000, furnace is gone, hot water heater and all the clothes and everything we had down there.

So I'm just thankful to you for asking for this help for all the people. I took care of that part myself. I worked hard in Rockford for 43 and a half years at one place and I had enough money to pay for it, but I never seen water come that fast in all the 48 years that will be next, just before Christmas, 48 years ago we moved there. I've seen it get up to the first step, but they always monitored. I went to Mayor, they've always monitored on 15th Avenue somebody would be down there monitoring that and talking with people at the dam up there, to close or open the doors. And I think they were a little late getting there on this one.

I lost the furnace. It didn't do damage to my walls or nothing because I live in an old house. It's got pretty thick walls to it. But blew the windows out, the west window and the south window, the water just came in up to one step going into my living room.

My truck was parked outside. We had visitors from out of town and we were shopping. And didn't know all this was going on. My son, when he got out of work, he ran over to the house. The water was coming out when he opened the door, water was coming out of my truck.

Chairman MANZULLO. Glen, thank you. Appreciate—

Mr. NUNALLY. But there's one other thing I want to mention, if I may. All of those new bridges they put in there by—this is directed to the Mayor, all those new bridges they put in there by McDonald's, by the grocery store, I saw that years ago. It was before your time, Mayor, and I said that's beaver engineering if I've ever seen it because it catches everything that comes down with the boxes they got under the supports. And I would like to ask the

Mayor what are we going to do about that creek? Nothing is done. From the wall green, the trees are growing up out of there. The dirt, there's places, I can see it from my house.

Chairman MANZULLO. Glen, I want to get on with the rest of the witnesses here.

Mr. NUNALLY. I didn't realize we had a—

Chairman MANZULLO. That's okay, thank you very much. We'll talk to you later on.

(Applause.)

Chairman MANZULLO. Is it Mr. Torres?

Mr. ESCOBAR. I'm Jose Escobar, Sylvia Torres' husband.

Chairman MANZULLO. I'm sorry.

Mr. ESCOBAR. I know she already spoke, but I felt I had to say a couple of words. I wanted to voice my opinion.

Chairman MANZULLO. You've got to stop moving and you got to talk into the microphone.

Mr. ESCOBAR. I'm sorry, I had a bad back. Anyway, you know, I just don't understand the fact that things have to be reconsidered as far as FEMA comes in and I mean, sometimes life is a struggle, but when we have insurance companies to back us up, they like to take our money as fast as they want to sell us the policy, you know. As fast as they take the money, when something as fast as this happened to us, Mother Nature cries or something, we want what's ours and they just seem to like to quote words over the phone, don't even send an agent down. I think there should be stricter rules against insurance companies, you know, when it comes to times like this. I mean fair is fair.

Chairman MANZULLO. I'm going to have to cut you off because I want to get on with the rest of the witnesses. It's a quarter past nine.

Mr. ESCOBAR. To rest my case, I just want to FEMA please help these people that are in need. I'm used to struggling as a young father, but times like this, me and my wife normally don't come out when we break a finger. We break an arm or lose your head, it's something serious. I see a lot of families that are looking forward to just getting what belongs back to them to get on with their lives. Thank you.

Chairman MANZULLO. Thank you. Mike, go ahead.

Mr. BONAVIA. Yes, Mike Bonavia. I'm a senior electrical inspector for the City of Rockford.

Chairman MANZULLO. Spell your last name for the record, Mike.

Mr. BONAVIA. B-O-N-A-V-I-A.

Chairman MANZULLO. Okay, go ahead.

Mr. BONAVIA. We've heard so many tragic stories here tonight and of course there's probably hundreds of them that we haven't heard, that people weren't able to come for one reason or another. But anyhow, one thing that we might have in the future is more tragedies and one of the reasons is because the basements that were flooded, the panels were submerged and those panels now may never have a breaker trip or anything like that. Once they're under water, according to the NEMA standards which is the National Electrical Manufacturers Association, they may not work, they probably wouldn't.

And so it amounts to putting pennies in fuses, so we could have tragedies in the future from all these people that have their power on and think they're safe. Without money coming forward from somebody, these people are not going to get these things updated and corrected, and so they're living with an extremely dangerous situation. That's all I have to say.

Chairman MANZULLO. Thank you, Mike.

(Applause.)

Mr. VRONCH. My name is Jim Vronch. That's V-R-O-N-C-H. I'm one of the senior building inspectors for the City of Rockford. I was the one that had to condemn all of the houses that I had to go out into. Just to let you know I had to look in these people's faces. It was sad. The people that come here and talk to you, I'm a professional at this. I was a carpenter for 18 years and I built houses here in Rockford.

The Congressman is asking them for estimates on their houses. They don't have any idea. They're guessing. Right now, the Building Department is figuring $25,000 to $30,000 just to replace your water heater, your furnace and your electrical box. And half the people that are here, there's another whole half of them that are scared to come here because they don't want to call us because we would have to come out and maybe have them move out of their house because it's dangerous. A lot of people don't speak English well enough to understand that they need help. And I just want to say don't be scared of the Building Department. We're here for these people's safety.

Like I said, only half of them are here. And come this winter when they start firing up these furnaces and water heaters and we get explosions and fire, which the Fire Department will tell you about this. And another thing that concerns me is come winter time. I've seen basement walls that are heaved in. Well, once they want to heave back out, come this winter and we get snow, the snow is going to melt and it's going to heave those basements back in again and you're going to see more trouble than we had with the flood.

Thank you.

Chairman MANZULLO. Thank you, Jim.

Mr. GRAY. How are you doing? My name is Antoine Gray, G-R-A-Y. I stayed at 2828 Holmes in the basement apartment. It was flooded really bad. Everything was lost. I just basically got a comment though. I don't think it make no sense, you have to have two hearings and an appeal to help people out. People lost everything and it really don't make no sense. I'm a younger guy, so you know, it's really not to hard for me to bounce back, but there's people in here that's 50 and 60 years old that can't go back to work or can't do nothing, you know. It's just taken a lot of time. Labor Day was three months ago, two months ago. That's a long time to help somebody, especially a senior citizen. That just don't make no sense.

Thank you.

(Applause.)

Chairman MANZULLO. Thank you.

Mr. FRIEL. I'm Ned Friel, senior mechanical inspector for the City of Rockford. F-R-I-E-L.

I've done the majority of the inspections for the furnaces that have been replaced and the duct work. We've probably done 100 inspections. We have a bunch more to do. There's a lot of damage out there, but one of the important facts that's happening is as the ground is drying out, the foundations are cracking. Some of these guys aren't seeing that, but when I go in and see the furnace, I see the cracks where the window was and from the ground settling from it drying. You're going to have more problems. And it's not going to get reported because the people aren't going to call us back. So next spring, after the freeze/thaw, when the walls are down again, you're going to have the same problem.So I don't know what you're going to do with it.

Chairman MANZULLO. So the figure of 67 homes with serious damage, you think that's under estimated?

Mr. FRIEL. Come spring, it will be, definitely.

Chairman MANZULLO. By how much?

Mr. FRIEL. Well, in the last month, there's probably 10 places I've been to where the cracks are there. They're not the spider cracks. You can stick your finger through the crack and people say well, I never saw that before. So what do you do?

Chairman MANZULLO. And many of those people, their names are not even on these charts?

Mr. FRIEL. No. And the charts don't have the people that have reported anything because like Jim said, they're afraid. And I don't know. I don't know what you guys are going to do.

Chairman MANZULLO. Thank you.

(Applause.)

Chairman MANZULLO. Yes, sir.

Mr. BENSON. My name is Jeff Benson. B-E-N-S-O-N.

Chairman MANZULLO. That's an easy one.

Mr. BENSON. I'm a heating contractor. Do mainly service work, but I've been out in the area here working on some of these homes. There are people here that know me.

The buzzards are out there, boys. I've seen them. I'm from this town. I was born here. I don't price gouge them, not like the gas boys and everything else. But the guys from out of town are coming in. They're jacking prices up.

A few years back, the Federal Government, I was in the Navy Reserves, and they asked me to do a job. They couldn't get anybody else to do it. So I went. Gave up my job here for a year. I went and did it. I made it home. It was nothing big. But I went and did it when they asked me.

These people need help. I've been out there. Seen it.

Chairman MANZULLO. Thank you, Mr. Benson.

(Applause.)

Mr. MORRISSEY. Thank you very much. I want to thank all of our citizens who have come here tonight and who had the courage to stand up and it isn't an easy thing. I think a lot of the comments were right on point when they said the truth which is a lot of people are here tonight, but we know there's a lot more that are at home, a lot of people because of their age or other conditions weren't able to be here. So our thoughts and our message includes all of them, even though they couldn't be here this evening.

I've got a few questions which I'd like to start with this evening to our representatives from FEMA and frankly, I open up the questions to either General D'Araujo or Mr. Buikema, whomever can help us answer this.

As a Mayor who has been trying to help our citizens go through this crisis, go through this disaster, you know, I get a one-page letter back from FEMA in October in which our request for support was denied. Out of all the factors under the Stafford Act, the main thing that was said in this letter, with very little, basically no support behind it, was this statement: "that the damage to the private sector in the City of Rockford and portions of Winnebago County was not of such severity and magnitude as to be beyond the capabilities of the State and affected local governments."

I'd like to know from FEMA's standpoint how do you reach that conclusion, especially in light of what you know about the conditions of the State of Illinois, the fact that the State doesn't have an individual assistance program and the particular numbers of individuals, the folks represented in this room, the millions of dollars in uninsured claims and damage, how can FEMA reach that conclusion?

Gen. D'ARAUJO. First of all, let me go back to the comment, we discussed this previously, Mr. Mayor. None of those factors are considered in isolation. The severity and magnitude issue relates to the whole notion of all the collective resources of the State and local VOLAGs. FEMA is not the first resort. It is after those have been brought into play.

When you look at all the factors we discussed in the discussion here, that was what brought the conclusion to where it went.

Mr. MORRISSEY. I guess I would ask and if you don't know tonight, I guess that's a fair statement to make or if there's others in FEMA that we would point to for the answer, I'd like to know that, but in our particular case, I understand that certainly as a statement of conclusion, it could be determined that the event was not beyond the magnitude and severity to be beyond the capabilities of the State and local governments. I guess the kinds of things I'm wondering was there an examination of the City's budget? Was there an examination of the current demands in our budget? Was there an examination of the State's budgetary size to reach the conclusion? Were those types of specific elements considered in this case, because again, it goes back to what I stated in my original comments. I'm a trial lawyer by trade prior to becoming Mayor, and I'm always looking for a record to be able to respond to when we have to do an appeal and conclusory statements made that it's not beyond our local capabilities. So I guess what I'm looking at is there some data that has not yet been provided to us that would included an analysis of the State's budget or our local budget or some other factors that led to the conclusion that we can handle it?

Gen. D'ARAUJO. Again, I would say that we aren't looking at the State budget or your budget here in Rockford as an isolated case. What we have to look at is has the City and State prioritized their resources to deal with this kind of event? I know we talked about the State not having an individual assistance program per se. But

what other mechanisms are there through social service mechanisms—

Chairman MANZULLO. I have to interrupt at this point.

Gen. D'ARAUJO. Sure.

Chairman MANZULLO. Whenever you make a statement, and this is signed by Mr. Paulison and I asked him to personally review this case. I talked to him twice on this. Somebody has made a statement here that says "it has been determined"—that means that FEMA has made a decision based upon a factual analysis—that's what determination means—"the damage to the private sector in the City of Rockford and in portions of Winnebago County was not of such severity and magnitude as to be beyond the capabilities of the State and affected local governments."

You have to be able to prove that.

(Laughter.)

You have to prove it. That's what this is about.

(Applause.)

Mr. Buikema, please, you have made a statement. It doesn't have to be notarized. I want to know on what do you base that? Tell me what State and local programs are available for these people?

I need to know that. You have to know that before this letter goes out from FEMA because you have to prove a negative in order to come within the parameters of the Code of Federal Regulations. If you don't know the basis for the denial, then Mr. Paulison has signed a letter that is not factually correct.

Gen. D'ARAUJO. I think Mr. Paulison's letter is correct.

Chairman MANZULLO. Then you have to tell us. Tell the Congressman that represents these people, the Mayor of the City of Rockford, and would you tell these people why you are denying this request. You've heard incontrovertible conclusive evidence from the State of Illinois and from the City of Rockford that there's no help available for these people. Can you tell me how FEMA came to the conclusion that there are State and local resources available? Or is this just jargon that you put into a standard denial letter? We have a right to know that.

Gen. D'ARAUJO. It's not a standard denial, Congressman.

Chairman MANZULLO. This is very specific. You have to prove to us, you have to be able to stand behind this document. This is why we're having this hearing. I ask you again, can you tell me what State and local resources are available to help these people? I'm entitled to an answer.

(Applause.)

And I'm not going to adjourn this hearing until I get an answer.

Gen. D'ARAUJO. Congressman, I can tell you—

Chairman MANZULLO. If you don't know, just say you don't know. I'll accept that.

Gen. D'ARAUJO. I can tell you the process that we went through.

Chairman MANZULLO. I don't care about the process. I want an answer to my question. It's a fair question.

Gen. D'ARAUJO. I don't dispute that's a fair question.

Chairman MANZULLO. Then give me an answer.

Gen. D'ARAUJO. The answer is, Congressman, that it's looking at the—

Chairman MANZULLO. No, no, no. It's a very specific—if you had come out and said this is denied, that's tough. That's one thing. We would have understood that. But you have made a very specific statement of a set of circumstances that does not exist. Mr. Buikema maybe could help me out. I want to know, again, the same question. What resources are available from the local and State government to help these people? I want an answer to that question. If you don't know, say you don't know. The answer is there are none. Can you accept that as part of this hearing?

Gen. D'ARAUJO. Well, Congressman, I can't accept that based on the fact that when the size and magnitude of the damage with all the combination of State, local and voluntary agencies—

Chairman MANZULLO. There is no help available for these people. Why is this so hard? Can you tell me? I am entitled to know as a Member of Congress and somebody who passes your budget, and that's going to come up again. And you remember there was one Member of Congress that defended FEMA in that mess down in New Orleans and I was down there. One Member defended FEMA and the SBA, one out of 435. It's this Chairman of the Small Business Committee. If I had known that you made arbitrary decisions like this, with no factual material, I would have been all over you. And I defended you.

(Applause.)

I am entitled to an answer. I want to know. Once more I'm going to ask you that question. What resources are available, State or locally to help these people?

Mr. Buikema, name me the programs?

Mr. BUIKEMA. Sir, I can only make suggestions.

Chairman MANZULLO. No. I want an answer to my question or you're going to sit here all night.

Mr. BUIKEMA. What I would like to say is based on these kind of circumstances elsewhere I know that in many cases and other States, they have looked towards their Housing Authorities at the State level, looked at community development block—

Chairman MANZULLO. That's in other States. This is this State, rated number 50 in fiscal responsibility. This City led the nation in unemployment in 1980 at 25 percent. We have lost a quarter of a million manufacturing jobs last year; 18,000 in this City. There's a man over here who just lost his job. It's going to Singapore. You tell me, don't guess what other States do. You tell me what goes on in Rockford and the State of Illinois. I don't care what goes on in other States. That's another standard to be determined.

(Applause.)

You guys never asked the question. You never asked the question when you put out this boilerplate letter. You've got to stand behind it. I want to know, again, what State and local programs are available to help these people?

Mayor, is that a fair question?

Mr. MORRISSEY. I think so.

Chairman MANZULLO. I want an answer. If you don't know, you don't know. Mr. Buikema, did you ever make a diligent study as to what services were available from the State of Illinois and the City of Rockford to help these people monetarily?

Did you ever ask the Mayor what was available?

Mr. BUIKEMA. Did I personally? No, sir.

Chairman MANZULLO. Did anybody from your staff ask the Mayor?

Mr. BUIKEMA. I do not know, sir.

Chairman MANZULLO. Did you ever get an answer from FEMA?

Mr. BUIKEMA. No I didn't, sir.

Chairman MANZULLO. No one asked the question, but you came up with a conclusion. Can you see why these people are upset?

I want the let the record know, the record will indicate that FEMA has refused to answer this question, posed by Mayor Morrissey and myself.

In a letter dated October 20, 2005, this was engineered by Mr. Buikema, who is in charge of this area, a statement has been made in this letter, signed by Mr. Paulison. The statement is "it has been determined that the damage to the private sector in the City of Rockford and in portions of Winnebago County was not of such severity and magnitude as to be beyond the capabilities of the State and local affected governments."

I've asked that question several times. Both witnesses have refused to answer.

Proceed, Mayor.

Mr. MORRISSEY. A couple of points I'd like to raise. Number one, we've since raised, since the October 20th letter, hopefully some additional information for FEMA's consideration in our appeal that will lead to a positive outcome and a positive determination. And I think the new data that we have made available, the continued work of all of our City staff, the folks in Human Services, our Building Department, Fire and Police, everyone who has been out surveying the actual damage, as you've heard tonight and you see up on the spreadsheets that we have, we're making part of our record, part of our appeal and we believe justifies under the elements of the Stafford Act, a positive determination on disaster declaration and assistance for the individual assistance program.

What I'm seeing, and again, I go back to the practice of law and our Constitution which even in the case where there's significant discretion given to administrative body like FEMA, we know that the Constitution will not allow for arbitrary and capricious determinations and we look for a basis in the Constitution to support a denial or a support of our rights as citizens in this country and we all, in our federal system, we're all citizens of the United States. And we're looking for support from that same country that provided assistance in October of 2005 in New Hampshire, provided assistance in September of 2004 to folks in Minnesota and provided assistance in April 2004 in Massachusetts for floods not unlike the conditions which our citizens faced in this case. And I see that it's significant precedent when you look at what happened in a Massachusetts flood with five to eight inches of rainfall, basements flooded to depths of excess of four feet; in New Hampshire, up to 11 inches of rain. There they had more time, over 36 hours, but they had a thousand people evacuated. Here we had 1400 that had been evacuated. They had 150 people in shelters. We've had dozens and folks were still in shelters.

In Minnesota, 10 to 13 inches of rain, again a 36-hour period. In each one of those cases that I reference and this is based on a fairly

quick review of some of the instances where FEMA has found that individual assistance program grants were made available, they are not unlike the conditions that our citizens had faced. And again, the difficulty I have as a Mayor is to look in the eyes of all of our citizens, knowing what we're facing from a budgetary standpoint each and every year as a Mayor, knowing what the State of Illinois is facing.

I'd love to have the State of Illinois say hey, Mayor, we've got an individual assistance program, help us meet the gap of $5.5 million that we've got repairing these homes. But it's illegal. It doesn't exist.

And so we are between the proverbial rock and a hard place. We're seeing other States get the funds. I'm led to believe that generally because Illinois is one of the big States, that we should be able to take care of it, but what do we do when again, we have a State that has no individual assistance program. We all pay federal taxes. We're seeing other States that get support in similar circumstances. What are we left to conclude as a result of this entire process if not again, the one hope we have is that the new information were available puts us in line with those other States to get support. Otherwise, I don't see any basis for a consistent series of opinions. It looks to be arbitrary and capricious. And I'd like some comment on that.

Gen. D'ARAUJO. If I could, just a couple of things. I can't relate what you just said about the other States to this particular scenario. Off the top of my head, I can't tell you what the insurance coverage was. I can't tell you what the State, local and voluntary agencies' resources were that were brought to bear in those particular cases. There may be some very significant dissimilarities there. I don't know that.

What I will tell you, getting to your point earlier in your statement that whatever new information and we've mentioned both to you and to the Chairman, whatever new information you have, that bears on the appeal will be considered in the light that you present. You have our assurance of that.

I don't mean to speak for Mr. Buikema here, but he has your appeal package and we've heard what you've said. We're going to look at the information you give us and give it a fair assessment.

Chairman MANZULLO. Let me just be very frank with you. I've been a Member of Congress for 14 years. I have worked with virtually every agency in Washington. I have never worked with an agency as intransigent and as insensitive as FEMA. I'm just going to tell it right up front. I don't know what it is with you guys that you don't understand.

We have worked through incredible EPA problems, Army Corps of Engineers. Mark Edwards is a very close friend of mine. He's the Commissioner at IRS. We have immediate access. We get answers. I mean advisory opinions, everything. We pick up the phone, the legislative counsel. But I've never run across an agency like this that's so incompetent. I'm just being very up front with you.

This man from the State of Illinois has told you in his statement, it is against the law of the State of Illinois to give individual assistance like this. Mr. Buikema, you should have asked him what was available and you should have asked the Mayor what was avail-

able. And then you wouldn't have come up with a statement like this.

I mean even in your own statement, General, you say that initially you had 40 homes that were damaged. Based on what I see here, 67 is low. We've got basements, we've got walls that are buckling and they won't know until spring. All you have to do is declare this a disaster. You come on in with your teams. You couple up with the SBA for those that can afford loans and you do the assessment property by property by property. Face by face by face by face by face, name by name by name by name by name. That's the only way to do it, to be fair to these people, after you know you have erred.

I mean you know you've erred when you can't answer this question. That's not asking too much. How long is this appeal going to take? Can we have an answer in a week?

(Applause.)

I need to know. We need to have a timetable here. You have all the information you need now. How long is this going to take?

Mr. BUIKEMA. I can speak at the regional level, Mr. Chairman, that it is likely we will have our part of this wrapped up in a couple of days and then it will be sent off to Washington and I'll defer to General D'Araujo.

Gen. D'ARAUJO. And I think once we get his assessment, barring any questions or comments or procedural things—

Chairman MANZULLO. Don't listen to the lawyers, all right? We're both lawyers also. Don't let them screw you up.

If he can act in a couple of days, then you can probably—a couple of days after that.

Gen. D'ARAUJO. We can probably do it in two or three days, barring anything untoward in the package we get from the region.

Chairman MANZULLO. The package.

Gen. D'ARAUJO. The assessment from the region that will come to us.

Chairman MANZULLO. Now do you make your own independent findings of fact in addition to Mr. Buikema?

Gen. D'ARAUJO. I'm sorry, sir?

Chairman MANZULLO. Do you making your own independent facts in addition to Mr. Buikema on the appeal?

Gen. D'ARAUJO. The analysis and evaluation from the region is the basis for our review.

Chairman MANZULLO. What about this hearing? What if he misses something in this hearing? Would you take testimony in this hearing as part of the appeal process? I would trust so.

Gen. D'ARAUJO. Any new information you bring in will be included.

Chairman MANZULLO. Anything in this hearing will be included. Okay.

I have just a couple of questions. In the number of homes so far, we've got it about 67 with a lot of damage, what do you think? Do you think that's low now?

Ms. JAEGER. We know it's low. We know that there are houses—Jennifer Jaeger, Community Services Director, Human Services Department for the City. We know that 67 is low. We went knocking on doors of people who don't speak English and we know those

homes have severe damage, but they're not talking to us at this point.

We know that people have damage that's showing up now. So yes, that number is low.

Gen. D'ARAUJO. Congressman Manzullo, if I could make a couple other comments, if I could.

One, whatever new information that is generated for the appeal, what the State would have to concur and submit to us—

Chairman MANZULLO. Oh, come on. Can't you take the testimony from these people? What do you want? It would take weeks to transcribe what's going on here? You mean to tell me you can't take this testimony as part of the appeal process?

Gen. D'ARAUJO. Congressman, we can't do that without the State—

Chairman MANZULLO. Well, the State agrees. Dave?Just a second, just a second.

Gen. D'ARAUJO. Congressman, we can't take across the country individual testimony. We deal with the State as the primary applicant.

Chairman MANZULLO. I understand. But we're the victims here.

Gen. D'ARAUJO. I understand.

Chairman MANZULLO. Okay. I mean the Governor can't interview each of these people.

Gen. D'ARAUJO. I understand.

Chairman MANZULLO. What do you want from the Governor? Do you want a statement? Do I have to get a letter saying listen to these people as part of the appeal?

Gen. D'ARAUJO. We need from the State any new information—

Chairman MANZULLO. What do you mean from the State? What do you want?

Gen. D'ARAUJO. We want an agreement that this is the information that they—

Chairman MANZULLO. This is the information here. Do you agree, Dave?

Mr. SMITH. I can agree that we all heard the same thing at the same time. I think that's important that we were all present for the information being provided. In all my years of disaster work and going through declarations, this is the first time we've had this forum as part of the appeal process and as far as the process goes to make a determination on a declaration. So I guess the question is one I've never had to face before, but I obtained information tonight and I believe FEMA obtained information tonight as did everybody here. So I'm not sure what else we need to do.

Chairman MANZULLO. I mean the question is will you consider, General, and Mr. Buikema, the testimony of these witnesses here tonight to be part of the appeal record? Will you take what they're saying into consideration when making your decision?

Mr. SMITH. I might add that one thing that is difficult is that I'm sure a lot of the individuals that made comments tonight, they're homes have already been included in the damage information. So to make a statement that this is all new information would not be correct, although there could be individuals that reported new information and in my testimony—

Mr. MORRISSEY. What I'm going to ask for and I understand the formal process that the application and the appeal goes to the Governor's office. I guess what we will be following up with is just that asking the Governor to adopt the materials and the evidence that has been brought through tonight as part of our appeal, so that it could be formally submitted and adopted through the Governor's office.

Mr. SMITH. The State would certainly accept any additional information from the City of Rockford.

Chairman MANZULLO. This is the additional information. Do we have an agreement that—do you see, guys, what I've been working with? They thought your Congressman would play dead, that's what's going on here.

(Applause.)

Do we have an agreement that the testimony of these real live victims will be considered part of the appeal?

Mr. Smith?

Mr. SMITH. I have to be able to transit it some way.

Chairman MANZULLO. Well, you heard it. Mr. Buikema, you're going to make a decision in Chicago, and General, you're going to make it in Washington. How do you transmit this? How long would it take to transcribe this Mr. Stenographer? What would it take, two to three weeks to get this typed? We don't have two weeks. You remember what you heard today.

Mr. BUIKEMA I can tell you, Congressman, I've had a couple of staffers that have been taking notes of what has been going on.

Chairman MANZULLO. So is it agreed, on the record, that the statements of the witnesses here tonight will be part of what is considered on appeal, yes or no.

Mr. Buikema?

Mr. BUIKEMA. If they're incorporated—

Chairman MANZULLO. I'm incorporated as a Member of Congress, all right?

Mr. BUIKEMA. If they're incorporated into the process, Mr. Chairman.

Chairman MANZULLO. What do you mean by that? He's saying it's okay.

Mr. SMITH. What I'm saying is that we'll provide any information that we receive that comes from this hearing to FEMA to support—

Chairman MANZULLO. What are you going to provide?

Mr. SMITH. I have to have some sort of—if it's going to be a written document.

Chairman MANZULLO. You've heard with your own ears.

Mr. SMITH. Pardon me?

Chairman MANZULLO. General, are you going to make the decision, is that correct, in Washington? Ed, you're going to make it in Chicago.

Gen. D'ARAUJO. The decision to do what, sir?

Chairman MANZULLO. On whether or not to sustain the decision or to reverse it.

Gen. D'ARAUJO. We make a recommendation to the Director who makes—

Chairman MANZULLO. But you make the decision. You make the recommendation.

Gen. D'ARAUJO. We make the recommendation.

Chairman MANZULLO. No, but you make the recommendation and he follows your recommendation.

Gen. D'ARAUJO. Unless he disagrees.

Chairman MANZULLO. But he doesn't even know what's going on.

Mr. Paulison has no clue what's going on here. I mean he's got a lot of disasters going on around this country. I mean I just want to get this very clear, because I'm not going to go through this again. Is the testimony of these people who showed up tonight going to be made part of what you consider when you decide whether or not to uphold the decision or to reverse the decision?

Gen. D'ARAUJO. Congressman, to the extent that there's new information here that hasn't already been accommodated and it's documented and the State submits it to FEMA for—

Chairman MANZULLO. They're not going to submit anything to you. You've heard the testimony with your own ears. How could it be clearer than that?

Gen. D'ARAUJO. As you well know, we have the process of the Stafford Act and the federal regulations that we have to live with.

Chairman MANZULLO. I'm also an attorney and a Member of Congress and I represent these people and I don't want to hear this B.S. coming from a bunch of bureaucrats.

(Applause.)

Why do you think these people are upset? Here's the question, this is so simple. You've come all the way from Washington. If you don't consider what they are going to say here, then you've misled me by coming out here and wasted your time tonight.

(Applause.)

Gen. D'ARAUJO. Congressman, I reiterate, for good, bad, or indifferent, we have a system that we need to work with.

Chairman MANZULLO. Your system stinks.

Gen. D'ARAUJO. Perhaps—

Chairman MANZULLO. No, you don't. I'm an attorney. I've got a Doctor of Jurisprudence. I'm a Member of Congress. I oversee the SBA and what it did down in New Orleans. I met with the FEMA people on the ground in Baton Rouge at the Disaster Headquarters. This is no stranger to me. I know how this thing works. I know how the SBA filters, who gets the money, who does not. I know FEMA can subrogate to the insurance companies, that you can step in immediately and help these people and then you fight the insurance companies. That's what happened in New Orleans.

You have the authority to do that.

(Applause.)

I'm not a stranger to the process. I understand it.

Gen. D'ARAUJO. But it is the process within which we have to work.

Chairman MANZULLO. I'm telling you, I make the laws.

Gen. D'ARAUJO. Congressman, I understand—

Chairman MANZULLO. Don't tell me the process. The question is very simple, are you going to take what these people have said tonight and make it part of your appeal process? That's so simple.

Gen. D'ARAUJO. And the answer is not simple, because it has to be documented through the State—

Chairman MANZULLO. Here's the documentation. Maybe they should all go to Washington and sit in the office with Mr. Paulison. This lady is in a wheelchair. What more do you want? How can you document what she said? You can't. I can give you copies of the stenographer's tape. Would that work?

(Unidentified audience members speak from unmiked locations simultaneously.)

Mr. MORRISSEY. I've got a couple more questions I'd like to ask just about the process.

I'll tell you what we will do in light of the statements that have been made to try to support—I don't write the rules in Congress. This process is foreign as much almost to me as it is to the citizens that are here. What we will do, however, as a City, to try to facilitate and provide a record from our own, frankly, which it wasn't reciprocated when we tried to get a record from FEMA as to the basis for its decision, vis-a-vis the first question we asked, which we didn't get a lot a basis for and it's been frustrating, but what we will do to try to support a record that can actually be documented and reviewed is ask that the stenographer make copies of the tapes at a minimum, so we can transmit those actual tapes themselves, if it can be done. And I ask the stenographer can that be done?

How fast can we get duplicates of the tape? Okay, in three days, we'll get copies of those tapes. We'll ask the Governor to anoint and adopt and forward them on, so that they can follow the right procedure. And I understand what we've been asked to do on that. We'll do that.

And we'll try to have again any additional documents, if they weren't part of our—in the appeal brief I think most of them were, but if they're not, we'll make sure we get an affidavit and get it supported and sent over to you with it, within those three-days time period so that you've got that for your consideration as documented and as referential as you need it to be.

But beyond that, and again, I come back to a procedural question at this point, as long as we're on the topic. Here's what my question is. If a denial of our appeal is made, you know, remember from a law school class, every right needs a remedy. What's the remedy either of a city or of an individual citizen via the legal process, given that we've got an administrative determination, if any?

Gen. D'ARAUJO. Mr. Mayor, I don't know what that remedy would be, to be very candid with you. I don't know the answer to your question.

Mr. MORRISSEY. I'm somewhat familiar with some legal, our legal department do some work and we know there's been some cases brought against FEMA based on negative determinations and outcomes and I just would ask tonight if you know, is there any recommendation that you would make in that process or are you able to do that this evening?

Gen. D'ARAUJO. Mr. Mayor, I can't answer your question. I would like to get back to you on that though, if we could.

Mr. MORRISSEY. And in terms of those other states that I reference in which positive determinations have been made, are those referenced by FEMA when they're making a determination in terms of being consistent with precedent in a case like this? In

other words, will you go back and look at those determinations to see if in this case—will your recommendation be based on an evaluation of what you've done?

Gen. D'ARAUJO. You mean by comparison with other—

Mr. MORRISSEY. Correct.

Gen. D'ARAUJO. No. We don't do that. It's a stand alone evaluation based on the damages.

Mr. MORRISSEY. In terms of that evaluation, is there a rule of thumb or any kind of written or unwritten rule regarding for lack of a better phrase, when you're considering a damage request, disaster request from a city like Rockford and we happen to be in quote a big State, is there some written or unwritten rules of thumb or guidelines that you follow when you're looking at a big State, population-wise as opposed to a different State, smaller State?

Gen. D'ARAUJO. There's a general guide and as you know in the CFR there's a reference to the size of State. To that extent, but we don't compare one state against the other, no.

Mr. MORRISSEY. I'd ask this question, is it a—when you've got a State like Illinois in which we have, we're told by the IEMA Department that we simply don't have an individual assistant program, is that counted for us, against us, is it considered at all?

Gen. D'ARAUJO. Not that you have or don't have an individual assistance program is something we certainly urge every State to adopt. But no, it's not a process—you don't have an IA program so that counts against you, if I understand your question. No, it's not part of the evaluation.

We work with the National Emergency Management Association and encourage States to do that more and more are doing.

Mr. MORRISSEY. Assuming for a moment that our revised estimates are correct that there's at a minimum $5.5 million of claims that don't have—repair work that needs to be done to homes to make them habitable, are we to believe that there is a measurement that since we happen to be in the State of Illinois, considered a larger State, that $5.5 million of uncompensable insurance repair work claims, there's just simply no insurance to cover them, that it either is or isn't in a ballpark for getting assistance?

Mr. BUIKEMA. The $5.5 million is not the factor in terms of the ballpark that you mentioned, Mr. Mayor. The factors again, not to beat a dead horse, but it's back to the kind of things that General D'Araujo has previously brought up about how we—the factors that are listed in the Code of Federal Regulations that decisions are made. So it's not $5.5 million.

Mr. MORRISSEY. So hopefully that means that because we have a specific impoverished, elderly population with a high concentration of damage, those additional factors will be weighed in as positive characteristics in light of our request?

Mr. BUIKEMA. Those are all part of the considerations, yes, sir.

Mr. MORRISSEY. And again, assuming that we have a higher population of impoverished and elderly folks without insurance in a particular targeted hit area, those factors generally would favor a positive determination as opposed to being a low poverty, high insurance covered area?

Mr. BUIKEMA. Again, all of this is not looked at in isolation, but in totality about all of those factors, sir.

Mr. MORRISSEY. I understand that, but just as a basic statement, we're more likely to get a positive determination if we have a lot of poor people as opposed to a lot of rich people in the affected area?

Mr. BUIKEMA. Well, again, that's one factor.

Mr. MORRISSEY. Absolutely, but in terms of looking at that factor, we're more likely to get a positive determination if we're impoverished as opposed to a very wealthy district?

Mr. BUIKEMA. I can't speak on a national basis, sir, about that with any definition about whether that's true or not.

Maybe the General can answer that.

Mr. MORRISSEY. I'm just trying to get a baseline to understand whether the information we're submitting is worthy anything. In other words, if we show the original assessment showed that we were perhaps had more money than our new data is, that data which shows that we've got a higher poverty rate, a higher rate of senior citizens, generally speaking, would weigh in favor of a positive determination. I'm not holding you to—I understand you look at a totality, but I'm just trying to understand if we're wasting our time. I don't want to waste the time of myself or any of our citizens here. We've gathered data. We believe that this data is going to be looked at in a positive light and I just want to know will it be—is it generally considered to be positive that we've got these higher figures of poverty and elderly and uninsured than originally submitted?

Gen. D'ARAUJO. If it's new information, it would, yes.

Mr. MORRISSEY. Okay.

Gen. D'ARAUJO. But again, please understand, do not interpret that as we're going to look just that as a determining factor. We talked about this previously.

Mr. MORRISSEY. I understand. And from a procedural standpoint, too, I'd like to know—I asked, because I know not everybody who would apply assuming we were to get a major disaster declaration, not everybody who would apply for the individual assistance grants would be eligible. They may make too much money, but they may be eligible for an SBA grant. I asked early on—I'm sorry, SBA loan, SBA loan.

I asked early on in the process why do we have—while our determination is pending as to whether or not we may get a major disaster declaration, if we've already heard, which we have from the SBA that we would qualify for potentially for the SBA loan program, why couldn't we procedurally have started our citizens on that process earlier on and said what I've been told we have to wait until the entire process—

Chairman MANZULLO. Let me answer that. The way it works is that people go into one center and SBA does the filtering. SBA determines whether or not people can afford to make a loan payment. If they're turned down, then they're handed over to FEMA. That's the way it happened in New Orleans. And when I talked to Herb Mitchell who is in charge of disaster declarations, a very good friend of mine at SBA, he said Don, wait until FEMA decides what

to do here, then we'll come in and open up one office so that nobody gets missed.

But I can tell you right now, most of the people here can't afford to take out loans. I mean people here come from very, very low income backgrounds and a lot of these homes are not mansions they're living in. They're their mansions. The people here have very low incomes and the demographics show that they're way below the mean income for this region. And so Larry, that answers your question. That's how the two of them work together. But in all fairness to FEMA, we asked for an extension because FEMA refused to take the original figures of loss. We wanted to give you a total picture. You weren't interested in that. The only picture you wanted to know was what you could reimburse. And so therefore, you never got a total loss, a total picture of the entire loss and I'll tell you how far you were wrong. When Barrett Carr called me from the White House, and gave me the bad news, she said FEMA said that the damage is only about a $1 million. And at that point I knew that you guys had no clue in regards to the assessments that you had made.

So that's how that works. Some people can get SBA loans, some can't. Based upon what I've heard tonight, I think very few people here, not even 4 percent, are going to be able to afford a loan on their homes and most would qualify for FEMA because of the area where they were located.

Do you have any more questions? Okay. Well, we appreciate you making your trek all the way from Washington. I appreciate all of you for showing up tonight and this hearing is adjourned.

(Whereupon, at 10:35 p.m., the hearing was concluded.)

Opening Statement
"FEMA's Response to the Rockford Flood"
September 27, 2006
House Committee on Small Business
Donald A. Manzullo, Chairman

Good evening and welcome to today's hearing. The purpose of this hearing is to explore the Federal Emergency Management Agency's (FEMA's) response to the Labor Day flash flood that occurred here in Rockford. During this hearing, the residents who were affected by the flood will provide FEMA with personal testimony on the nature and extent of the damage.

The massive flooding on Labor Day in Rockford affected 768 homes and initially displaced roughly 1,400 residents. The City of Rockford and charitable organizations have contributed more than $2 million dollars to the recovery efforts. However, two months have passed since the flood, and 213 damaged homes are still not repaired. In addition, City and State officials estimate that the remaining uninsured and underinsured homes will require more than $5.5 million in additional disaster assistance. Unfortunately, this is much more than the City and State say they are able to provide. Without immediate federal assistance, many families affected by the flood face the prospect of a winter without proper heat and water.

Shortly after the Labor Day flood, Rockford Mayor Morrissey and Illinois Governor Blagojevich declared Rockford a city and state disaster area. The Governor then appealed to the President and FEMA for a major federal disaster declaration. A federal disaster declaration could provide individual assistance of up to $28,200 to repair damaged homes and to replace lost personal property.

On October 20, the President and FEMA denied the Governor's request for a major federal disaster declaration, claiming that the disaster did not rise to the level necessary to warrant federal intervention. Because of significant discrepancies between the damage estimates FEMA used to deny the disaster declaration and the actual damage figures collected by the City and State, the State of Illinois appealed this decision. To date, there has been no decision on the appeal.

I hope today's hearing will allow the President and FEMA to make a more informed decision on Governor Blagojevich's pending appeal for federal disaster relief. I also hope this hearing will highlight the need for continued improvement in the federal disaster declaration process.

I look forward to the testimony of the witnesses.

Written Testimony of Jennifer G. Jaeger, Community Services Director for the City of Rockford Human Services Department. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

My name is Jennifer Jaeger and I am the Community Services Director for the City of Rockford Human Services Department. After a disaster event has occurred, the Human Services Department, Community Services Division is responsible for coordinating information and longer-term recovery efforts for the citizens affected by the disaster after the Red Cross and Salvation Army have rendered immediate need assistance. The flash flood that occurred on September 4, 2006 is one of those events.

On September 4, 2006, I received a call from Mayor Morrissey informing me of the need to have Community Services staff respond to Hallstrom Center in response to the flash flood occurring in the area. I dispatched staff to the Hallstrom Center and also contacted the Salvation Army for assistance with food service for those evacuated due to the flood. When staff arrived at the Hallstrom Center they found over a hundred citizens evacuated to the center. The American Red Cross was on site, converting the Hallstrom Center into a temporary shelter for the evacuees. Most of the residents arriving at Hallstrom Center were confused, wet and shocked by how quickly they had been overtaken by the flood. That evening, forty residents stayed at the shelter, with the others able to find temporary housing with friends or family who were not affected by the flood.

During the next two weeks, Community Services staff continued to provide support at the Hallstrom Center and also begin accompanying Building Department staff on their

inspections of dwellings, particularly those dwellings being condemned where the residents needed immediate relocation. The Community Services Division also offered extended hours, including weekends for the period following the flood.

As the point of contact for flooded residents, the Human Services Department received constant calls from residents who could not return to their homes and from those who had returned to their homes who were overwhelmed by the clean-up and repair tasks facing them. Local churches assisted where they could, including help with cleaning mud out of basements and providing mattresses for families who needed to replace theirs from either water or mold damage. Mold damage is another factor that these residents are facing. Even though the water and mud was removed from basements, many of these basements were comprised of porous services such as limestone and the houses have been overrun with mold. The Human Services Department as been assisting as much as possible with relocation for renters, temporary housing for homeowners and volunteer assistance where possible.

One of the major concerns we heard from citizens as they tried to recover from the flood was the denial of claims from insurance companies. The majority of residents, 89%, did not have flood insurance and since the damage was flood related, homeowners insurance was not liable for the damage. In an effort to assist residents in maximizing whatever type of insurance coverage they had, the State of Illinois, Department of Professional Regulation, Insurance Division came to Rockford for two days to meet with homeowners and assist them in understanding their policies.

Following the first assessment by FEMA and IEMA on September 7th- 9th, Mayor Morrissey expressed a concern that the damage assessment did not accurately reflect the actual damage incurred during the flood. The City of Rockford's Human Services Department, Building Department and Fire Department began the process of reassessing the damage to obtain a more accurate damage summary. On October 5 and 6, FEMA and IEMA, along with City of Rockford Building and Fire inspectors conducted a follow up damage assessment with the result that 67 homes were identified as having major damage and 239 homes were identified as having minor damage. At this time, FEMA chose to not count the number of affected homes, assuring us that it would not be a consideration in their decision. However, the number of affected homes is more than 500% greater than what FEMA reported.

Unfortunately, much of the work to be done is beyond the scope of our resources or the abilities of volunteers. The assistance residents' need is in repairing the mechanicals and electrical wiring in their homes, replacing or repairing foundations and replenishing personal financial resources they have exhausted in their efforts to repair their homes. The clearest evidence of the need for federal assistance is the number of residents who have not been able to recover from this flood, more than 90%. The reason for this lack of recovery is simple, neither the residents, city nor state has the resources necessary to address the level of damage caused by the Labor Day Flood. Because of this, we have citizens who fall into several categories, those lucky few who were able to repair and return to their homes, those we've relocated permanently, those living in temporary housing while waiting for repairs to their homes and those who are living in damaged and dangerous homes. Those who are in temporary housing must someday return to their

homes or face the difficult decision of abandoning their homes because they cannot afford to repair them. For those residing in damaged or dangerous homes, we are very concerned about their safety and the safety of their families as we know that we can do little to help except continue to ask FEMA to reconsider their decision regarding assistance.

Written Testimony of David L. Smith, Chief of the Bureau of Disaster Assistance & Preparedness, Illinois Emergency Management Agency. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

My name is Dave Smith and I am the Chief of the Bureau of Disaster Assistance & Preparedness for the Illinois Emergency Management Agency (IEMA). After a disaster event has occurred, I am responsible for coordinating with the Federal Emergency Management Agency (FEMA) to provide any supplemental assistance that may be required from Federal agencies to aid homeowners, renters, businesses and units of government in their recovery from the impact of the event. The flash flood that occurred on September 4, 2006 in the City of Rockford and portions of Winnebago County is one of those events.

My involvement with the Labor Day flooding began on Wednesday, September 6. Three IEMA staff and I traveled to Rockford to make a general assessment of the flood damage and determine the type of disaster assistance that may meet the needs of homeowners, renters, businesses and units of government in the disaster area. Throughout the day on Wednesday, we toured the most severely impacted areas in Rockford along the Keith Creek drainage areas. After the tour, I recommended to William C. Burke, Director of IEMA, that we request FEMA join us in a more detailed assessment of the damages. Director Burke agreed and I contacted the FEMA Region V office to coordinate the damage assessment. When FEMA conducts a damage

assessment jointly with a state it is known as a Preliminary Damage Assessment (PDA). The purpose of the PDA is to collect information on the disaster damage and to verify the damage information that had been initially collected by local emergency management officials. Information collected during the PDA serves as the basis for determining if the Governor should request Federal disaster assistance. The PDA was scheduled to begin on Friday, September 8 and continue until all damages identified by local officials had been viewed.

On Thursday, September 7, Governor Blagojevich declared that a disaster exists in Winnebago County. The purposes of the disaster declaration was to authorize State agencies to provide assistance in the disaster area, authorize the reassessment of disaster damaged real property and make possible a request for Federal assistance if determined necessary. I explained the PDA process and the possibility of requesting Federal disaster assistance to Rockford officials in the Mayor's conference room on Thursday afternoon. I described the importance of the local official's role of identifying the damage areas during the PDA and ensuring that the PDA team was aware of the areas impacted by the flash flood.

The PDA was completed at approximately 8 p.m. on Saturday, September 9. Personnel from the Winnebago County Sheriff's Department and the Rockford Fire Department accompanied the Federal and State damage assessment teams throughout the two-day assessment. City and county officials lead the damage assessment teams on a tour of all the areas where damage had been reported or identified. A PDA is a team

effort involving local, state and federal officials. During the PDA, the function of the local officials is to make sure that the PDA team is aware of all damage areas. The function of the State and Federal members of the team is to determine the impact of the disaster and identify State and/or Federal disaster assistance programs that can meet the needs of the people and community affected by the disaster. Most important is the fact that the PDA is a joint effort involving local, State and Federal officials and therefore ensures that the damages are viewed by all levels of government at the same time and under the same conditions.

On completion of the PDA, the State reviews the information collected. A determination on the need to request Federal disaster assistance is based on the unmet needs of those impacted by the disaster and the availability of disaster assistance through State and Federal disaster assistance programs. It was determined that there were no State programs that could provide the necessary disaster recovery assistance to homeowners, renters and businesses impacted by the flash flood. On September 11, 2006, Governor Blagojevich requested Federal disaster assistance for the purpose of aiding the people who incurred damage to their homes, personal property and businesses as a result of the Labor Day flash flood.

It is difficult to assess basement flooding following a flash flood. The nature of a flash flood is that the water rises and recedes rapidly. Without the homes sitting in the floodwater, it is difficult to identify homes with damage that is not visible from the outside. The total impact of a flash flood that causes basement flooding may not become

totally apparent until days or even weeks following the event. Many times the only visible sign that a home has been damaged is the personal property that appears on the street as trash needing to be removed. This may not occur in the days immediately following the flash flood, but eventually the destroyed property will likely appear on the curb.

During the month of September, the City of Rockford collected additional disaster damage information from homeowners and renters as they began to discover the real affect the flooding had on their property. In an effort to obtain new information that accurately reflected the damages throughout the City, IEMA and FEMA conducted an additional damage assessment at the City's request on October 5 and 6. Rockford officials, IEMA and FEMA staff conducted this follow-up damage assessment jointly in the same manner as the original PDA. All involved agreed that the revised damage assessment information was the best information available at that time using the PDA criteria for assessing residential damage.

On October 20, 2006, FEMA denied the Governor's request for a major disaster declaration, which would have provided Federal disaster assistance to the people in Winnebago County suffering from the Labor Day flash flood. The denial letter indicated that damage to the private sector in the City of Rockford and portions of Winnebago County was not of such severity and magnitude as to be beyond the capabilities of the State and affected local governments.

On October 24, 2006, Governor Blagojevich appealed the FEMA denial of disaster assistance. The appeal was based on additional information provided by the City of Rockford and the fact that there are no current programs administered by State agencies designed to provide the needed disaster relief. On November 20, 2006, William C. Burke, IEMA Director, provided additional information as submitted by the City of Rockford to support the appeal of the disaster declaration denial.

The State maintains a disaster relief fund that can be used to pay the expenses of State agencies during disaster response. The State Disaster Relief Fund cannot be used to provide private relief to persons sustaining property damage as a result of a disaster. Although homeowners are encouraged to maintain flood insurance, some do not. If a major disaster was declared, some individuals, families and businesses could receive assistance from the Small Business Administration low interest loan program and others would qualify for grants to repair their disaster damaged home or replace some essential personal property even though they do not maintain flood insurance. Without Federal disaster assistance or insurance proceeds, the people most severely impacted by the disaster would have to rely on private disaster relief organizations for the needed assistance.

During the weeks following the flash flood disaster, IEMA has maintained close and frequent contact with the City of Rockford emergency management officials. Likewise, IEMA will continue to work with the City of Rockford to identify cost

effective flood mitigation projects that could potentially reduce future flood damage in the areas most severely impacted by the Labor Day storms and flooding.

Thank you for allowing me to participate in the Committee's hearing.

JOINT STATEMENT OF

JOHN R. "JACK" D'ARAUJO, JR.

RECOVERY DIVISION DIRECTOR

AND

EDWARD G. BUIKEMA

REGIONAL DIRECTOR OF REGION V

FEDERAL EMERGENCY MANAGEMENT AGENCY

DEPARTMENT OF HOMELAND SECURITY

BEFORE THE

COMMITTEE ON SMALL BUSINESS

U.S. HOUSE OF REPRESENTATIVES

NOVEMBER 28, 2006

Good evening Chairman Manzullo and members of the Committee.

I am Jack D'Araujo, Director of the Recovery Division of the Federal Emergency Management Agency's Recovery Division, which is a part of the Department of Homeland Security. I am joined today by Edward G. Buikema, Regional Director of the Federal Emergency Management Agency (FEMA) Region V Office, which includes Ohio, Indiana, Michigan, Wisconsin,

Minnesota, and Illinois. It is an honor to appear before this committee to summarize and discuss FEMA's emergency response and declaration process in the event of a natural or man-made disaster, and in particular, Governor Rod Blagojevich's September 11, 2006, request for a major disaster declaration on behalf of the State of Illinois.

Before I provide an overview of our efforts in relation to the City of Rockford and Winnebago County, I would like to talk briefly about FEMA's role and authorities under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5206 , or the "Stafford Act".

When an event is of the magnitude or severity that effective response is beyond the capabilities of the State and the affected local governments and Federal assistance is necessary, the Stafford Act authorizes the President to provide emergency assistance to State and local governments to help support, but not supplant, those governments in their role of alleviating the suffering and damage that results from emergency or disaster events.

Stafford Act assistance is managed by the Department of Homeland Security, primarily through FEMA. The assistance provided by the Federal government is supplemental in nature. Initially following an event, local emergency and public works personnel, volunteers, humanitarian organizations, and other private interest groups are the first line of support to provide emergency assistance to protect the public's health and safety and to meet immediate human needs.

A Governor may determine, after consulting with local government officials, that effective response or recovery are beyond the combined capabilities of both the State and local governments, and that Federal assistance is needed. In requesting supplemental Federal assistance under the Stafford Act, the Governor must certify that the severity and magnitude of the event exceeds State and local capabilities; certify that Federal assistance is necessary to supplement the efforts and available resources of the state and local governments, disaster relief organizations, and compensation by insurance for disaster related losses; confirm execution of the state's emergency plan; and certify adherence to cost sharing requirements.

To assist a Governor in determining if a request for assistance should be made, a Preliminary Damage Assessment (PDA) may be conducted at the request of the State. PDA teams are comprised of personnel from FEMA, the State's emergency management agency, county and local officials and the U.S. Small Business Administration (SBA).

The team's work begins with reviewing the types of damage or emergency costs incurred by the units of government, and the impact to critical facilities, such as public utilities, hospitals, schools, and fire and police departments. The teams also examine the effect on individuals and businesses, including the number and extent of businesses and individual households damaged, the number of people displaced, and the threat to health and safety caused by the event. Additional data from the Red Cross or other local voluntary agencies are also reviewed. It is important to note that while FEMA may collect information about all types of damage, only damage that would be eligible for FEMA assistance may be considered.

The information collected during the PDA can then be used by the Governor to support a declaration request – listing the approximate cost of response efforts, such as emergency personnel overtime, other emergency services, and damage to private property, is beyond state and local recovery capabilities. This information can be used to determine whether the event is of such severity and magnitude that it is beyond the State and local government's capabilities to respond. The information gathered during the assessment will also help the Governor certify that the damage exceeds state and local resources.

On September 8-9, 2006, FEMA conducted initial damage assessments in conjunction with the State of Illinois, the City of Rockford, and the SBA. This PDA found no homes destroyed but 40 homes with major damage. In addition, at the time of the disaster, the American Red Cross opened one shelter, which housed 40 individuals, but was closed before the assessment began. After the shelter was closed, individuals either returned to their homes or were provided subsequent assistance from the city or were sheltered with families and friends. There were no serious injuries or deaths as a result of this event.

FEMA does not believe there is any dispute about the relevant numbers concerning this disaster. The only remaining question is what do these numbers mean, and we believe that is why you have asked us here today. However, the State has recently submitted an appeal and is currently providing information to FEMA to consider and it would be premature for us to comment on that appeal process at this time.

At the conclusion of the joint PDA, the Small Business Administration (SBA) determined that the damage was sufficient, between both homes and businesses, to warrant an SBA declaration. Such a declaration makes low cost loans available to homeowners and businesses to assist in recovery from the disaster event. However, it is my understanding that the SBA cannot act because there has not been a formal request from the State.

As we are well aware at this time, rain and winds struck this area on Labor Day weekend of this year. While the deadline to request Federal assistance for this event would have expired 30 days after the disaster event, on September 19, 2006, the State of Illinois formally requested additional time to submit information in support of the Governor's request. Recognizing the State and local governments' desire to submit additional information, FEMA granted the request.

On October 3, 2006, the State of Illinois submitted additional information in support of the Governor's original request. On October 5-6, 2006, FEMA, the State and the City, conducted an additional joint damage assessment.

On October 20, 2006, Governor Blagojevich's request for disaster assistance was denied. The determination to deny Federal assistance was made in consideration of the results of the damage assessments conducted, and reflected the President's assessment that the scope of damage was well within the combined response and recovery capabilities of State and local governments and voluntary agencies. The Illinois Governor's office and Congressional delegations were notified of this decision.

The Stafford Act restricts the use of arithmetical formulas or a sliding scale based on income or population as the basis for determining the need for Federal supplemental aid. As a result, FEMA assesses a number of factors to determine the severity, magnitude, and impact of a disaster event. Part 206 of Title 44, Code of Federal Regulations specifies the criteria and factors that may be considered. We would like to submit for the record the relevant portion of the CFR. While the CFR details the criteria and factors that are considered, we would like to identify the primary factors, including:

- Amount and type of damage (number of homes destroyed or with major damage);
- Impact on the infrastructure of affected areas or critical facilities;
- Imminent threats to public health and safety;
- Impacts to essential government services and functions;
- Unique capability of Federal government;
- Dispersion or concentration of damage;
- Level of insurance coverage in place for homeowners and public facilities;
- Assistance available from other sources (Federal, State, local, voluntary organizations);
- State and local resource commitments from previous, undeclared events;
- Frequency of disaster events over recent time period;
- The scope and magnitude of unmet needs of those affected by the event;
- The number of injuries and deaths.

The very nature of disasters—their unique circumstances, the unexpected timing, and varied impacts—precludes a complete listing of factors considered when evaluating disaster declaration requests because they are bound to be different for each event, and each event is considered on

its own merits. However, the above list includes most of the primary factors, all of which are considered in their totality and no single factor considered in isolation when developing a recommendation for the President.

On October 24, 2006, the State of Illinois formally indicated its intent to appeal the denial of the disaster request, and the State's supporting information was just received last week. Since the time of the event, FEMA's Region V Office and its Headquarters have been in frequent contact with representatives from Rockford, the State of Illinois, and Congressional staff to discuss the declaration process, procedures and programs. The Governor has also requested an extension to December 4, 2006 to submit information for review of his appeal; however, that additional information was received on November 21, 2006. FEMA will review it, and give it every appropriate consideration.

FEMA recognizes that all disaster events, no matter how large or small, can be devastating to the people and communities affected whether or not they are declared presidential disasters. We sympathize with the homeowners' efforts to repair their houses, reestablish their homes, replace furnishings and personal effects, and recover from the flood event. FEMA employees are compassionate people, dedicated to public service, and understand the importance of providing relief to disaster victims. While we do realize that there are those in need, FEMA must operate within the authorities which govern our programs, as well as recognize the state-federal relationship and partnership that exists.

Thank you for the opportunity to provide you insight into FEMA's declaration process, and our ongoing outreach to the State of Illinois following this event. We would be pleased to answer as many of your questions as we can.

Written Testimony of Brian Willis, 1827 Nebraska Avenue, Rockford, IL. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

On September 4" 2006 , the south east part of Rockford experienced a heavy rainstorm which caused severe flooding. My house on Nebraska road in the Rolling Green neighborhood was in the direct path of the runoff causing two~thirds of a basement wall to collapse in while my wife and 1 were in the basement trying to shut all of the windows that had been forced open by the water. In less than five minutes the basement Was full of water and made us wonder if any other wall would collapse. We were trapped in our home because by then the water was *2* to3 feet deep all around our house. To make matters worse, there had been a tornado touch down out by the Rockford airport and was reported to be headed our way. Our two car garage was severely damaged to the point it was demolished- I think this was the scariest thing we have ever had to go through.

Besides the natural things losr like the washer and dryer, furnace, water heater, etc., we lost a lot of personal belongings that cannot be replaced. We were able to save some stuff but most was lost due to water and mud damage. After the water subsided and the shock and realization of what took place set in, the real nightmare started. Nothing in life could ever prepare someone for what we went through. I remember asking myself over and over, will we survive his? What do we do now? In short, the feelings of helplessness were very hard to take at times.

In fact we still feel helpless today. When Heather from the Rockford Human Services Department called me to ask if we wanted to participate in this meeting, 1 thought "it's

worth a shot". But then 1 started wondering if participating was worth it and why this meeting was even taking place. FEMA already said no to funding. Why is the head of FEMA coming here, what could he possibly gain from coming here and listening to a bunch of sob stories from a bunch of flood victims. Could it be that he will be adding the "human factor" into his decision to help, not just the money factor? As it stands now we suffered about $30,000 in damages to get us back where we were, but that's not including repairing the other two walls that are now bulging into my basement that will eventually need repairing.

In closing .... money talks, B.S. walks. If your going to help, help- If not, we have enough of our own to deal with, we don't need yours.

Brian md Susan Willis

Written Testimony of Brenda Arnold, 811 15th Street, Rockford, IL. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

Like a number of others in the Rockford area, my family and I were affected by the flood. Due to the flood many changes have occurred. I am a homeowner and we received extensive damage to the foundation of our home. The foundation was shifted and one side of the home caved in. The water completely washed out the basement and was above ankle level on the main floor, damaging furniture and electrical appliances. Since the flood our home has been condemned. Mold has taken over the house and the floors have buckled. We have flood insurance but with the policy limits there isn't enough to even start repairs and lift the condemnation. I am handicapped and require a number of medical supplies and some were in the home including my motorized wheelchair. We have since moved into an apartment but are forced to continue to pay the mortgage and rent for our new apartment on a fixed income, with a number of other bills. We have lost everything including a number of sentimental items that cannot be replaced. We had only been in this home for a year and a half and now what we have worked hard to get has been taken away in one day. FEMA has the power and the funds to help. It is a devastating blow to lose so much overnight and then have a department whose job it is to help in these situations can't offer that help to our city. FEMA, I ask that you open your hearts and ears and reconsider your decision. Thank you.

Written Testimony of Reva and Stan Goettsch, 1403 6th Avenue, Rockford, IL. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

We have no idea why our family was not in the basement on Sept **4th**. We are always there. This was our family room. We would normally have had people over for Labor Day, but decided to just have a "lazy" day.

I was making supper as my daughter, Caitlin, was getting ready for work. She needed to be there at 5:00. . She got a call from a friend telling her not to go. Charles Street was flooded and she wouldn't be able to drive to Imperial Palace.

We looked outside and people were trying to drive through the intersection of 1st Street and **6th** Avenue. There was around 6 feet of water spewing out of the manhole cover. Water was starting to come into our yard as more cars tried to get through the intersection. **I** moved 2 of our cars up the street about a block closcr to **7th** Avenue. There was not any standing water on **l0th** Street at **7th** Avenue.

About 10 years ago we had approximately 3-4 inches of water in the basement, so my husband (Stan) went downstairs to check for water. Water was starting to seep in. He had a CD collection worth about $20,000. so he was moving them off the lower CD racks and placing them on the table. I followed him and started unplugging the stereo systems and TV He only made it through *1* shelf of the CD rack before water starting pouring in. He filled a laundry basket with CD's and bought them upstairs As I grabbed his postal uniforms and my son's football jcrseys, 1 called for Caitlin to get her basket of clothes from the laundry room.

When Stan started going back down the stairs to retrieve more stuff, he heard a "crackle". He saw the wall collapse. Caitlin was at the bottom of the stairs with a basket of clothes

in her hand. We saw the basement start to fill with water as we were screaming for her to move. She started running up the stairs **as** the water pushed the sofa right behind her. All this happened within 5 minutes.

The Fire Dept. already had a rope tied to the neighbor's steps. I called out to them that our basement wall had collapsed. They told us to take a jacket & leave. The current was so strong on 6th Ave. that they had to carry Caitlin across the street to the neighbor's porch. The Fire Department wanted to take us to Hallstrom Center, but our cars were parked only 4 blocks up and were unharmed. A wonderful police officer brought us to our cars so we could meet up with our son who had stayed the day with his coach- It took her about 15 minutes to get us back to our cars 4 blocks away-

We picked our son up and went to my sister's house planning on staying the night. We then realized we were soaked, and didn't have any clothes. I'm not sure of the time, but we went squishing through Walmart, buying clothes for that night & next day. We spent the next 2 nights at Fairfield Inn. We then stayed one week at the Exel Inn because it had a small kitchen- On September IS"', we moved to a 4 room apartment.

The day after the flood we returned to the house to check out the damage. The entire front basement wall. of the house had collapsed and there was around 3 feet of mud in the basement. While we were there **the** city came and told us to leave. They condemned the house.

I called the insurance companies, but after the call I didn't know what else to do. This was the most frustrating part of the whole ordeal- **I** attended a meeting on 5th Avenue and expressed this to someone from the city. I wanted my house hoisted up, but didn't know who to call. They offered a number for Structural Dynamics in Genoa. They were

there within 2 days to hoist the house up and prevent collapse. After attending another meeting at Stockholm Inn that the city hosted, 1 heard about the "volunteer clean up" on the Saturday after the flood. Maywood Evangelical Church came on Saturday & took all the large items out of the basement.

I was working with **A-1** Restoration by now to repair the basement, but nothing was happening. They were obviously overwhelmed when they were asking **ME** for leads on masonry repairs. After the house was hoisted up and the large items were removed, everything seemed to come to a halt. There was no one available to do the repairs.

I told **A-1.** and my insurance agent that they needed to place plywood around the basement so that the house would not be vandalized. They didn't do this, and on October 3" someone merely walked through my basement, into my home, and stole all of out electronic items, my jewelry and went through our personal items. ! I then had to cancel most of our credit cards.

The day of the burglary I told my son to look for anyone repairing basements. We were taking back control! We found a sign, called Meza Construction, and although the expense has set US back a tremendous amount, even with flood insurance, we moved back into our home last weekend.

We never realized how much we had in our basement. Some things like Stan's glasses, contacts, furniture, appliances and all of our clothes, can be replaced. Our videos of the kids, slides from Stan's parents, collector albums, and family pictures cannot. But most importantly, our children have suffered a lot. My son has asthma and we had to bring our animals with us to the apartment. We could no longer afford to board them. His asthma flared up since he was in a small apartment with the cat and the dog. He is now taking

stronger medication to control the flare-ups. He has missed an unbelievable amount of school. Our "above average" student just received 2 failing grades on his report card. My daughter has also missed **a** lot of school. We just received a warning from East regarding attendance She is seeing a doctor for counseling to help her deal with the trauma of September 4th. We almost lost her to the flood.

Our basement is almost finished and we are living at our house. Last weekend I was raking leaves from the street. The storm sewer on the north side of my house is packed with leaves. It was the only one that was operational on the day of the flood. The other corners have been collapsed for 10 years. I have called the city for years to repair the storm sewers on the other corners, but was told there was no money to do so. Instead they installed another one on the other side of my property to help take some of the water. It is no surprise that, of the 4 corners, my home was the only home condemned, and the only one that had any damage as far as I am aware.

The cement edge of the creek by my home is now eroded after the flood and there is around 6 feet of mud and garbage blocking the water flow under the bridge. We signed an authorization around *5* years ago for the city to come onto our property and repair the creek. We never saw anyone. The creek has not been cleaned in at least 10 years.

The City of Rockford MUST maintain and repair the storm sewer system and keep the creek cleaned and replace portions of it when needed.

I don't want and can't afford to have a repeat of this problem when the spring thaw starts. Major renovations of the creek and the sewer systems need to be done NOW, not after another 3-year study.

Written Testimony of Roger McVay, 2733 Kinsey, Rockford, IL. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

My name is Roger McVay. I am 64 years old and a Viet Nam veteran. My home at 2733 Kinsey was condemned due to the Labor Day Flooding. My wife and I are on Social Security. We do not have Flood Insurance and have been paying out of pocket for everything. The other day a contractor came to remove some contaminated dirt from our house and wanted full payment. We did not have full payment. This is becoming the case with other contractors as well. We have exhausted our savings and still have no idea when we can return to our home or how we will pay for the expense of repairing the home. After the flood, FEMA and IEMA walked through our neighborhood and promised us we would get help. I am a Viet Nam Vet and have lost everything, photos, letters, articles and other things from my Viet Nam stint and years of service as a Marine. This has caused a lot of stress and makes me very sad.

Written Testimony of Tricia Scanlon, 1919 Hillcrest Road, Rockford, IL. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

My name is Tricia Scanlon and my family and I were severely affected by the Labor Day flood. We had several people come to help us remove all of our walls and flooring and have estimated the damage to our home at about $40,000. Every bit of carpeting and padding in our home needed to be removed along with the bottom two feet of drywall and plaster. One entire room needed to be gutted as the sub floor and walls were particle board. The foundation sunk where the ¼ basement used to exist. I did some research on how to ensure that we could remove any and all material that could grow mold and/or bacteria and believe that we did a decent job. We had our well water tested and it was positive for E-coli as well as coliform. We then had a well contractor out to chlorinate our well. We are still unable to drink our water and have purchased a water cooler and 5 gallon bottles of water for our consumption. Obviously all of this costs money and we quickly ran out of it.

One point I would like to make is that our home is located on Hillcrest Road, nowhere near Keith Creek. From the information that I gathered, we are located in zone B so our home is not even on a flood plain map. All of the water damage to our home was due to the amount of water run off that took place from the rainfall event. Therefore, we did not have flood insurance, nor were we ever offered flood insurance for our home.

My three-year-old son's room was most adversely affected and we have done our best to get his space to a livable level. Fortunately I come from a family of do-it-yourself-ers, and am able to do much of this on my own. However, I have no more money to purchase the supplies needed to complete the restoration of our home.

Written Testimony of Lourdes Macias, 819 15th, Rockford, IL. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

It was September 4, 2006. My husband, children, and I were having a nice day. Three of my children were out including my oldest son. Since early morning it began to rain. It kept raining and about 3:00 pm the water was not draining. There was alot of water flooding the streets. We sadly saw my parked car being covered with water. We started to worry because the water continued to rise and covered the front yard. In little time, the water surrounded the house. We sadly continued to see the water rising and asked God for the rain to stop. Suddenly, about 5:00 pm a huge noise was heard. Something hit the kitchen door heading into the basement. Without knowing exactly what had just happened, my husband started to yell at us to get out of the house. I hugged my youngest daughter and went outside in the middle of the downpour. We waded into the water; at this point the water rose to our chest, and walked two blocks to higher grounds. Later the same evening, we wanted to return to our home but the streets were closed. The fire department did not let us pass because the water lever was still too high. This was about 8:30 PM. The next day, we returned to our house but we were surrounded by the fire department, Red Cross, news reporters from both the newspaper and television. Our house was condemned because it was greatly damaged due to the flood. The foundation in the basement fell and the city informed us we could not occupy it at the time.

Written Testimony of Janeal Lantz, 1015 14th Street, Rockford, IL. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

On Monday, September 4, 2006, in just a matter of minutes, I literally lost everything I owned as a result of an unexpected downpour of rain which resulted in a flood. I lost a total of 69 years of living. Not only did I lose everything from household furnishings and clothes, I lost a lifetime of irreplaceable family pictures and memories.

I am a single woman over 65 years old and own a duplex on 14th Street. I live in one half and rent the other half for much needed income. The flood caused damage to the entire duplex and nothing was salvageable. I am still not able to return to my home because it is not livable as of yet. This flood has resulted in an extreme financial burden for me as I count on the rental income to help make my monthly mortgage payment.

In April, May and June of 2006, the rental portion of the duplex underwent a much needed renovation and upgrade so as to help keep the neighborhood appearance as nice as possible. The renovations were such a substantial amount of money that I had to take out a 2nd mortgage to be able to pay for the renovations.

I have worked all my life. Prior to retiring three years ago, I purchased all new furniture including a refrigerator and bedroom set; replaced all the carpeting and flooring in my home; as well as purchased miscellaneous household items including living room curtains hoping these items would last the rest of my lifetime.

I have been hospitalized twice this year (May and June) with a severe heart condition. This flood has been the devastation of my life. It has caused a substantial financial burden as I am not sure if and/or when I will be able to repair the rental portion of the duplex. Without some sort of financial assistance, I have serious doubts the repairs would be feasible. I would then lose my home to foreclosure as my ability to pay the mortgage would be no more.

I have also experienced a significant amount of anxiety and health problems due to the stress of not knowing what the outcome will be of my home. Losing my home to the flood was bad enough. I just pray I don't lose it again in foreclosure if there is no financial assistance provided.

Thank you.

Labor_day_flood_2006

Written Testimony of Linda Haley, 210 Glendale Avenue, Rockford, IL. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

Re: the committee meeting at Lincoln Middle School in Rockford with FEMA officials regarding the Labor Day flood.

I am unable to attend this meeting, but wish to include my information about damages my home received and the losses my family has incurred due to that flood.

As the water rose from Keith Creek, three of my basement windows were broken, allowing 7.5 feet of water inside our home. Everything in my basement was ruined, including not only the furnace, water heater, washer, dryer, and water softener but everything my son and brother owned, as their bedrooms were in the basement. In addition, my son, my daughter, and myself lost our vehicles in this flood. To date I have spent $51,659.97 on the clean-up of our premises, replacement of the major appliances (i.e.furnace & water heater) and vehicles, and the rebuilding of the living quarters. None of this has been covered by my homeowners' insurance. I do not have flood insurance as this type of occurence has never happened in the past - I have personally lived in my home since it was built in 1955.

Not included in these costs, and yet to replace are the washer, dryer, furniture for 2 bedrooms, complete bathroom including cabinets, sink, shower, stool, all plumbing, personal items & clothing for two persons, two TVs, two VCRs, desktop computer system, shelving, canning supplies & cookers, stereo system, two microwaves, apartment size refrigerators, and many personal items too numerous to mention.

I understand that we are 'lucky' in that our home has remained habitable (although three of us have and will continue to stay with friends until the work is completed), but the costs have been overwhelming.

Congressman Manzullo, I thank you for any financial assistance you can acquire for those of us who were victims of this flood and appreciate all you are doing to help us. Should you have any questions or wish to contact me for any reason, please feel free to call me at (815) 988-9670.

Sincerely,
Linda J. Haley

Written Testimony of Livetta Houston, 2528 Holmes Street, Rockford, IL. Presented before the Committee on Small Business of the U.S. House of Representatives in Rockford, Illinois on November 28, 2006.

Hi, my name is Livetta Houston. My family had resided at 2528 Holmes Street, Apartment #6. I am here to tell you about the pain and suffering we went through on October 4, 2006. These are some pictures we took the next day. Water pouring in the window throughout the apartment. I am not a homeowner but this apartment is what I am my family called home. My fiancé had to run to the back of the apartment to get our son A.J. out of bed. His bed was under a window with an air conditioning unit in it. Just in time he pulled our son by the feet, right before the air conditioner unit fell on the bed where my son was laying. We had to run through the apartment to get to the front door of the apartment where my daughter was holding the door open. The electricity was still on and the water was above my knees. My children had on no shoes, only pajamas. None of us had on jackets or shoes. My children were crying and asking, "Why is this happening?". I had no answer and I still don't. After what we went through we have every right to know what's going to happen. Why isn't our situation considered a disaster? Many of us here tonight went through so much that we didn't see coming. These days I have to work extra hard to get what I had already worked for. Christmas this year isn't for us. Help us here in Rockford. Thank you.

Rockford Register Star

NEWSPAPER OF THE ROCK RIVER VALLEY ★ RRSTAR.COM

Hit the stores with a budget, or it'll cost you

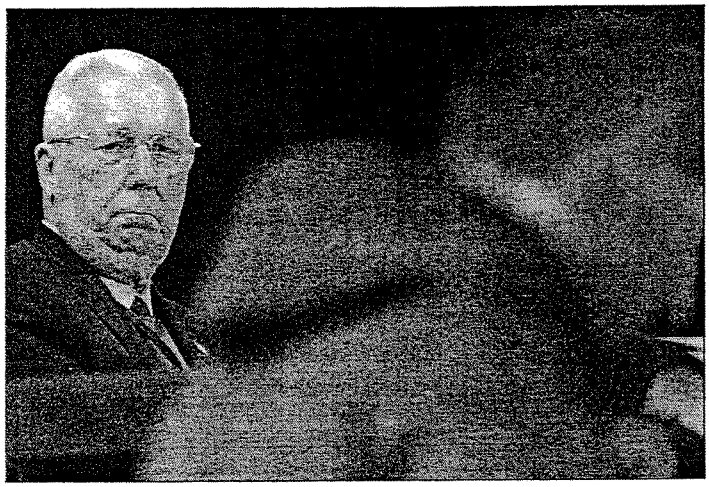
See GO, 8

Top teams in area boys basketball

See Sports, 1E

WEDNESDAY, NOV. 29, 2006 VOL. 151, ISSUE 333 – EST. MARCH 30, 1855 ROCKFORD, ILLINOIS 50¢

MEETING IN ROCKFORD | APPEAL FOR AID



JOHN F. ELBERS II | ROCKFORD REGISTER STAR

John D'Araujo Jr., director of the Federal Emergency Management Agency Recovery Division, listens Tuesday to Rockford resident Brian Willis as Willis talks about what happened to him and his family as a result of the Labor Day flood. D'Araujo was part of a U.S. House of Representative Small Business Committee Field Hearing at Lincoln Middle School in Rockford.

Flood victim to FEMA: 'We still feel helpless'

ROCKFORD REGISTER STAR

About 1,400 residents were kicked out of their homes by Labor Day floodwaters. Tuesday night, a few of them got to tell Washington officials what it was like.

Brian Willis, who lives on Nebraska Road in the Rolling Green neighborhood, told top guns from the Federal Emergency Management Agency that in less than five minutes he and his wife were nearly trapped in their basement.

Willis wants FEMA to reconsider its decision last month to deny Rockford federal flood aid. He said the hardest part of dealing with the disaster was in the recovery.

"Then the real nightmare started," he said. "We still feel helpless today." Please see 1C

STORYCHAT rrstar.com

On the Web

Go to rrstar.com/laborday-flood for all of our coverage of the Labor Day flood. You'll find stories, videos and photo galleries, including one featuring readers' shots.

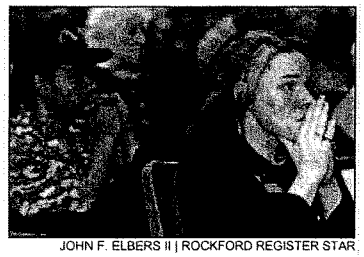
Rockford Register Star rrstar.com

Published: November 29, 2006

Local News: Rockford

We still suffered, victims tell FEMA

By Bob Schaper
ROCKFORD REGISTER STAR
Click here for more information about Bob Schaper



JOHN F. ELBERS II | ROCKFORD REGISTER STAR

Tonya Knight and her husband, William Washington, of Rockford, listen to testimony as part of a U.S. House of Representatives Small Business Committee Field Hearing at Lincoln Middle School. Representatives from the Federal Emergency Management Agency were in town to hear from victims of Rockford's Labor Day flood.

ROCKFORD — Tonya Knight waited a long time to tell her story, ever since the rainstorm of the century came calling last Labor Day. When it was her turn to speak Tuesday night, the pain came rushing out like the filthy floodwaters that nearly destroyed her family.

She talked about her four children, how all of them stood in the water listening to the shrieks of their pets drowning in the basement below. She described the screaming of the elderly couple next door, who had nobody to help them.

And Knight looked into the eyes of the officials on stage, powerful men from Washington, and spoke to them in a clear voice.

We were promised that you would help us, she said. This was our dream. Everything I worked for was washed away. Please help my children go home. We want to go home!

The auditorium at Lincoln Middle School erupted with applause, and dozens of similar stories followed during a congressional hearing into the Sept. 4 flood.

On the other side of the stage from U.S. Rep. Don Manzullo, R-Egan, who chaired the hearing, two officials from the Federal Emergency Management Agency listened stoically as speaker after speaker approached the microphone.

This flood has been the devastation of my life, said Janeal Lantz, who retired three years ago. I literally lost everything I owned. I lost a total of 69 years of living, including a lifetime of irreplaceable memories.

Livetta Houston said the water in her house was above her knees.

Why isnt what happened to us a disaster? she asked. We werent a hurricane, but we still suffered.

FEMA last month denied a state request for federal disaster relief, saying the flood damage could be paid for with local and state dollars. On Tuesday, John DAraujo Jr., director of FEMAs recovery division, said federal assistance was only a tool to supplement local dollars.

We recognize that all disaster events, no matter how large or small, can be devastating to the people and communities affected whether or not they are declared presidential disasters, he said.

While we do realize that there are those in need, FEMA must operate within the authorities which govern our programs.

Mayor Larry Morrissey, his voice still raw from a recent bout with hepatitis, said FEMAs processes had failed Rockford.

In a lengthy statement, he suggested Rockford was in no position to help its own citizens.

Rockford is in the unenviable position of being in one of only eight counties in the state of Illinois to be on the states poverty warning list, he said. We have one of the highest crime rates and poverty rates in the state.

FEMAs decision is under appeal. If the agency does reverse itself, homeowners could receive up to $28,200 each. All disaster victims would be eligible, regardless of income levels, a spokeswoman said.

Aldermen Patrick Curran, R-2, Frank Beach, R-10, and Jeff Holt, D-11, gave statements to the committee.

They are desperate, with no means for help, Beach said, referring to the victims. Many of them are below the poverty level. You men are in authority. If you wont help, who will?

Brenda Arnold, who spoke from a wheelchair, asked the FEMA officials if they would help.

Think about it, she said. It could have been you.

Staff writer Bob Schaper can be reached at 815-987-1410 or bschaper@rrstar.com.