

Congress of the United States

Washington, DC 20515

September 27, 2002

The Honorable George E. Pataki
Governor of the State of New York
Executive Chamber, State Capitol
Albany, NY 12224

Dear Governor Pataki,

We are writing to follow up on our letter of September 13, 2002, regarding the implementation and processing of the Individual and Family Grant (IFG) program administered by the NYS Department of Labor. To date, we have not received a response.

Subsequent to our letter to you requesting improvement in the processing and implementation of the Individual and Family Grant (IFG) program, we have come to recognize that the NYS Department of Labor is unable to meet its obligations for processing these applications. In fact, the problems are so serious that we believe that applicants for the IFG program would be better served if the responsibility for processing IFG applications were assumed by Federal Emergency Management Agency (FEMA) representatives.

The IFG program was established to "provide funds to disaster victims as expeditiously as possible to cover those necessary expenses or serious needs for which other governmental assistance is either unavailable or inadequate." However, it appears that the NYS Department of Labor has failed to fulfill its responsibility with regards to the IFG program:

- The backlog of applications shows that to date, barely half of the IFG applications filed have been processed.
- Statistics show that the approval rate for IFG applications filed is just 13%.
- The Department of Labor has not adequately circulated information regarding the program. Many applicants are confused about whether or not they may be eligible for the program. Others are unsure of the deadline for participation in the program. The NYS DOL website has not yet been updated to reflect the extension of the filing deadline for the program, continuing to show that the "application period runs through September 30, 2002."
- The State of New York informs applicants that "normally, reimbursement checks are mailed within 10-14 business days after all requested information is submitted to the IFG program." According to applicants, months go by after the information is submitted before they hear from the Department of Labor.
- Applicants are unable to obtain clear, accurate information about the rules, regulations or implementation of the IFG program either from the websites or by calling the Department of Labor for assistance. Indeed, it has been difficult for people, even from Congressional offices to get clear and consistent information about the IFG program and misinformation is widespread.
- Wait times for people calling the Department of Labor to register for the IFG program or to gather information are excessive.

Further, it appears that New York State is requiring excessive and unwarranted documentation prior to approving applications. We understand that a recent review by your agency determined that 85% of the rejected applicants were turned down on the grounds that they lacked documentation.

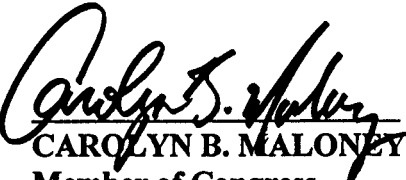
- The Department of Labor is requesting documentation that the Code of Federal Domestic Assistance (CFDA) expressly states families do not have to provide.
- In the CFDA under *Application Procedure*, FEMA makes it clear that "FEMA's contract inspection firms perform inspections and provide government estimates to the States for real property, personal property, and in certain cases, transportation (vehicle) costs. *Families do not have to provide real or property estimates or receipts, but are asked to document expenditures for medical, dental, funeral, or transportation costs.*" (CFDA 83.453)
- New York State should not be denying claims for reimbursement of personal property simply because victims lack receipts.

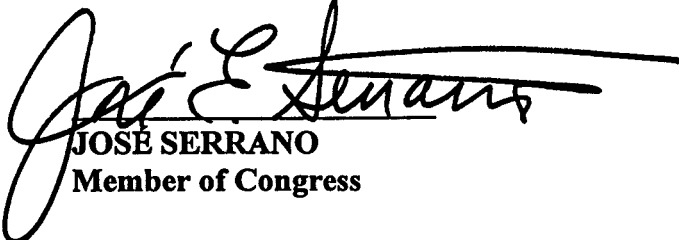
We believe that the NYS Department of Labor's insistence that applicants must first apply and be rejected by SBA is contrary to Congressional intent. FEMA regulations are sufficiently flexible to permit States to grant IFG applications without requiring applicants to apply for an SBA loan first. Forcing applicants to fill out lengthy and duplicative paperwork only causes unnecessary frustration and delays assistance. The process should be streamlined so that a caseworker can determine at the onset which program is best suited to the applicant. Many victims of 9/11 have already exhausted their resources and their patience.

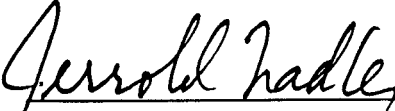
It appears that the NYS Department of Labor is ill-equipped to accommodate the volume of applications and ill-prepared to address the case-by-case needs of many of the applicants. We understand that the Individual Assistance Center at 141 Worth Street in Manhattan currently has up to 400 applicants a day. Statistics show that the number of applications for the IFG program continue to increase.


Our constituents have experienced enormous financial and emotional hardship as a result of the attack on the World Trade Center. We believe that FEMA can address their concerns more efficiently and effectively than the NYS Department of Labor. Accordingly, as set forth in the enclosed letter to Director Joe Allbaugh, we respectfully request that the NYS Department of Labor relinquish its responsibility with regards to the processing of IFG applications and the dissemination of information for these applications, and allow FEMA to assume complete responsibility for the processing of IFG applications.


Sincerely,



CAROLYN B. MALONEY
Member of Congress


JOSE SERRANO
Member of Congress


JERROLD NADLER
Member of Congress


CHARLES RANGEL
Member of Congress


EDOLPHUS TOWNS
Member of Congress


ANTHONY WEINER
Member of Congress


STEVE ISRAEL
Member of Congress

cc:

The Honorable Joseph Allbaugh

The Honorable Michael Bloomberg

Congress of the United States

Washington, DC 20515

September 27, 2002

The Honorable Joe M. Allbaugh
Director
Federal Emergency Management Agency
500 C Street, S.W.
Washington, DC 20472

Dear Director Allbaugh,

We know that initially FEMA experienced problems with the processing of the various Individual Assistance programs, specifically with the MRA program. However, it is evident that there are, and continue to be, vast improvements in FEMA's assistance to the individuals affected by this disaster. The improvements have had a significant positive impact on numerous applicants. We thank FEMA for its initiative in addressing the flawed implementation of the Individual Assistance programs.

Today we are writing to express our concerns with the implementation of the IFG program by the New York State Department of Labor. Recognizing the substantial backlog and low approval rate for the IFG program, we are mindful of the fact that you recently sent staffers to consult with the state on how to better process its claims. We further understand that you have offered FEMA staffers to assist the State in processing these applications more quickly. We thank you for your initiative, but believe FEMA needs to go farther. Accordingly, we respectfully request that FEMA assume full responsibility for the processing of applications for the IFG program and the dissemination of information regarding those applications.

The IFG program was established to "provide funds to disaster victims as expeditiously as possible to cover those necessary expenses or serious needs for which other governmental assistance is either unavailable or inadequate," however, it appears that the NYS Department of Labor has failed to fulfill its responsibility with regards to the IFG program:

- The backlog of applications shows that to date, barely half of the IFG applications filed have been processed.
- Statistics show that the approval rate for IFG applications filed is just 13%.
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- The State of New York informs applicants that "normally, reimbursement checks are mailed within 10-14 business days after all requested information is submitted to the IFG program." According to applicants, months go by after the information is submitted before they hear from the Department of Labor.

- Applicants are unable to obtain clear, accurate information about the rules, regulations or implementation of the IFG program either from the websites or by calling the Department of Labor for assistance. Indeed, it has been difficult for people, even from Congressional offices to get clear and consistent information about the IFG program and misinformation is widespread.
- Wait times for people calling the Department of Labor to register for the IFG program or to gather information are excessive.

Further, it appears that New York State is requiring excessive and unwarranted documentation prior to approving applications, specifically with regard to the receipts demanded for damaged or destroyed personal property. We understand that a recent review by your agency determined that the State of New York rejects 85% of applicants on the grounds that they lacked documentation.

- The Department of Labor is requesting documentation that the Code of Federal Domestic Assistance (CFDA) expressly states families do not have to provide. In the CFDA under *Application Procedure*, FEMA makes it clear that “FEMA’s contract inspection firms perform inspections and provide government estimates to the States for real property, personal property, and in certain cases, transportation (vehicle) costs. *Families do not have to provide real or property estimates or receipts, but are asked to document expenditures for medical, dental, funeral, or transportation costs.*” (CFDA 83.453)
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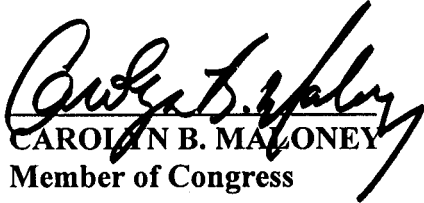
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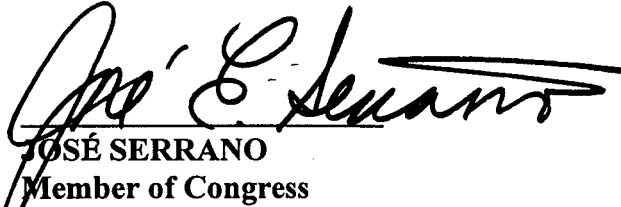
We understand that the Individual Assistance Center at 141 Worth Street in Manhattan, currently has up to 400 applicants per day, half of whom are applying for participation in the IFG program. We further understand that FEMA representatives at the Individual Assistance Center have been able to process IFG applications from start to finish, eliminating any delay incurred by State processing. We applaud this effort and are grateful for the initiative.

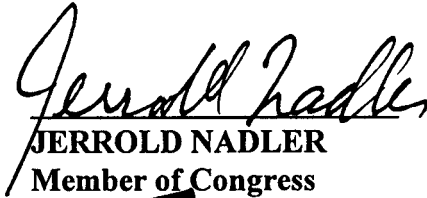
Our constituents have experienced enormous financial and emotional hardship as a result of the attack on the World Trade Center. Many applicants were assured by the promises of the IFG program. However, the confusion, frustration and delays caused by the low approval rate and various processing delays are disheartening to the applicants. We believe that FEMA can address their concerns more efficiently and effectively than the NYS Department of Labor. As you can see by the enclosed letter to Governor Pataki, we are requesting that the NYS Department of Labor relinquish administration and processing of the Individual and Family

Grant Program, in order that the needs of applicants may be better served by FEMA. Accordingly, we respectfully request that FEMA assume responsibility for the complete processing of IFG applications. We look forward to your prompt response.

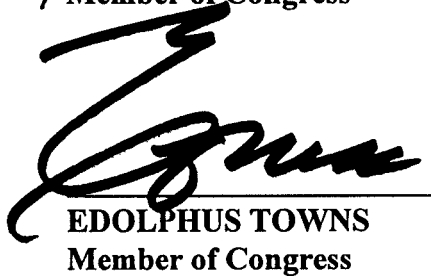
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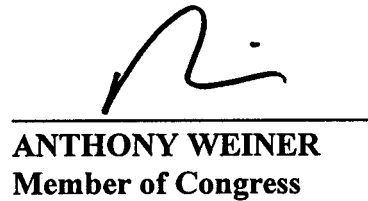

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