

Congress of the United States

Washington, DC 20515

October 31, 2002

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

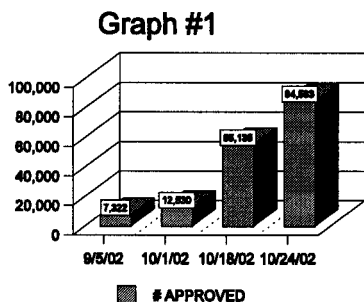
Dear Governor Pataki,

We are writing to follow up on our letters of September 13, September 28, and October 13, 2002, regarding the implementation of the Individual and Family Grant (IFG) program, administered by the N.Y.S. Department of Labor. To date, we have not received responses to any of our previous letters.

Since our letters to you, we have been following the efforts of the N.Y.S. Department of Labor to improve the administration of the IFG program. Over the course of the last month, since we brought the problems with the program to your attention, it appears that vast changes have occurred in the administration of the IFG program. The following graphs based on data from the Federal Emergency Management Agency (FEMA) releases and other public sources, show some of the extraordinary results that seem almost too good to be true.

If these statistics are accurate, they reflect vast improvements in the IFG program, your staff at the N.Y.S. Department of Labor should be commended for fixing a huge problem quickly and addressing the concerns of New Yorkers who needed assistance after 9/11. However, if these statistics are the result of new reporting criteria designed to mask problems in the program, then that would be extremely disheartening.

Below are the statistics as reported by FEMA and from other sources that cause us concern:

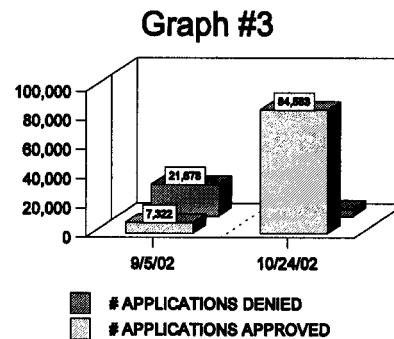
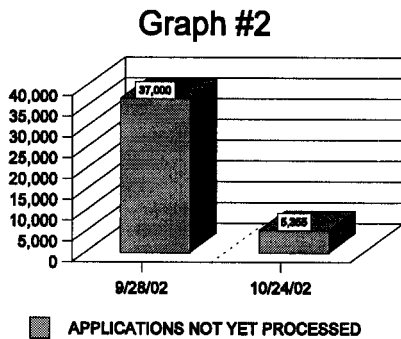


Graph # 1: Increase in Approval Rates and Number of Applications Adjudicated:

The N.Y.S. Department of Labor has exponentially increased the number of approved applications over the last four weeks. According to FEMA, as of August 30, 2002, the approval rate for IFG applications was 13%.¹

¹"FEMA Disaster Assistance Summary." Federal Emergency Management Agency, August 30, 2002.

- As of September 5, 2002, 7,322 IFG applications had been approved.²
- As of October 1, 2002, FEMA reported that 12,530 applications had been approved.³
- As of October 18, 2002, FEMA reported that 55,135 applications had been approved, including those paid. However, the notation “(pending applicants’ receipts)” appears after this number. ⁴
- As of October 24, 2002, FEMA reported that 84,583 applications had been approved, including those paid and those “pending applicants’ receipts”.⁵
- According to this data, the 77,261 applications were approved from September 5, 2002, through October 24, 2002.
- As of October 24, 2002, FEMA stated that the N.Y.S. Department of Labor had more than sixty employees working on this program.⁶



Graphs #2 and #3: Applications Not Yet Processed and Applications Approved vs. Denied.

- As of September 28, 2002, the number of applications not yet processed was 37,000.⁷ As of October 24, 2002, 5,355 were still in process at IFG.⁸
- As of September 28, 2002, 21,678 applications had been denied.⁹ As of October 24, 2002, 5,209 applications had been considered ineligible or had been withdrawn.¹⁰

²McCaffrey, Shannon. “Only a Small Portion of Grant Program for Sept. 11 Victims Used” *Associated Press* September 5, 2002.

³“Cumulative Status Breakdown Report.” Federal Emergency Management Agency, October 1, 2002.

⁴“Congressional and Intergovernmental Advisory #145.” Federal Emergency Management Agency, October 23, 2002.

⁵“Disaster Assistance Approval Rate Nears 89% for IFG Program; FEMA Provides Support to Enhance New York State Efforts.” Federal Emergency Management Agency, October 24, 2002.

⁶“Disaster Assistance Approval Rate Nears 89% for IFG Program; FEMA Provides Support to Enhance New York State Efforts.” Federal Emergency Management Agency, October 24, 2002.

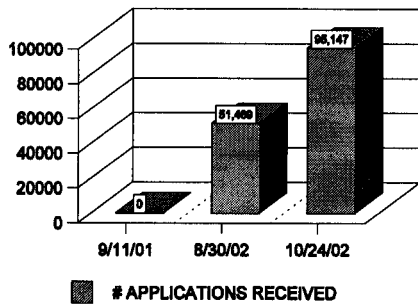
⁷Chen, David. “Seen as Safety Net, 9/11 Program Is Anything But” *The New York Times* September 28, 2002.

⁸“Disaster Assistance Approval Rate Nears 89% for IFG Program; FEMA Provides Support to Enhance New York State Efforts.” Federal Emergency Management Agency, October 24, 2002.

⁹McCaffrey, Shannon. “Only a Small Portion of Grant Program for Sept. 11 Victims Used”

¹⁰“Disaster Assistance Approval Rate Nears 89% for IFG Program; FEMA Provides Support to Enhance New York

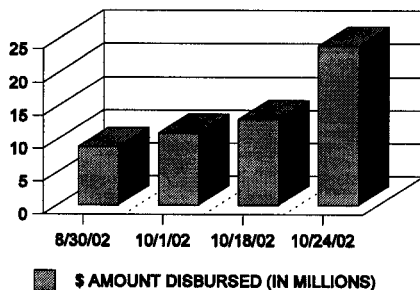
Graph #4



Graph # 4 Total Number of Applications Received:

- According to FEMA, the number of applications received has nearly doubled from August 30, 2002, to October 24, 2002, increasing from 51,469 applications to 95,147 applications.¹¹

Graph #5



Graph # 5 Total Amount Disbursed

- According to FEMA, the total amount disbursed by the IFG program as of August 30, 2002, was \$8.81 million¹², on October 1, 2002, it was \$10.89 million¹³, on October 18, 2002¹⁴, it was \$13 million, and finally, on October 24, 2002, it was \$24 million¹⁵.

¹¹“FEMA Disaster Assistance Summary.” Federal Emergency Management Agency, August 30, 2002, & “Disaster Assistance Approval Rate Nears 89% for IFG Program; FEMA Provides Support to Enhance New York State Efforts.” Federal Emergency Management Agency, October 24, 2002.

¹²“FEMA Disaster Assistance Summary.” Federal Emergency Management Agency, August 30, 2002.

¹³“Cumulative Status Breakdown Report.” Federal Emergency Management Agency, October 1, 2002.

¹⁴“Congressional and Intergovernmental Advisory #145.” Federal Emergency Management Agency, October 23, 2002.

¹⁵“Disaster Assistance Approval Rate Nears 89% for IFG Program; FEMA Provides Support to Enhance New York

- According to FEMA, of the 84,583 cases that have been approved, 24,427 (25.7%) have received assistance.¹⁶

I. Questions on Aid Actually Received

Based on the data above, we seek answers to the following questions:

- Initially, when we brought problems with the IFG program to your attention in September, based on data from FEMA of August 30, 2002, there was an 87% denial rate because the N.Y.S. Department of Labor rejected applications based on inadequate receipts. The report in the latest release that the IFG Program has an approval rate of 89%, that sounds like great news, given that it was 13% only two months ago. However, on October 1, 2002, when FEMA reported that 12,530 applications were approved, the caveat of “approved pending receipts” did not appear to affect this total. This caveat seems to be reflected in data starting on October 18, 2002, when approvals increased to 55,135. Have the guidelines for reporting these statistics changed?
- If the reporting guidelines have not been changed, what assurances do we have that the documentation requests that are “pending” are not excessive and will not cause a regression in the approval rate?
- Have the guidelines for approval been expanded? What are the new guidelines which allowed for such a dramatic change in the approval rates? When will applicants be notified of their awards?
- While we are pleased with the radical changes in the approval rate, we are baffled by the sudden change without explanation. Would you please explain the sudden changes in the approval rate and processing speed?
- According to FEMA, the actual number of applicants that actually have received grants is, as of October 24, 2002, still significantly below the total of prior disasters. Can you explain this?

II. Question on Outreach

As noted in our enclosed previous letters, we believe that the distribution of information regarding the IFG program is inadequate. We understand that, to date, despite the diverse populations in the affected areas and the statistics amassed by FEMA regarding the diversity of the applicants, the notification of the deadline has not been translated. Nor has the N.Y.S. Department of Labor conducted any outreach, despite the looming deadline and increased number of applications. Given the dramatic rise, over a year after the 9/11 disaster, what effort is the state making for outreach?

III. Question on Extension of Deadline

We understand that the N.Y.S. Department of Labor initially blamed the increased number of applications on the need for air conditioners through the hot summer months. The colder temperatures indicate that applicants are no longer concerned with the immediate discomfort of heat, but rather that their contaminated air conditioners, if used, will continue to circulate noxious and harmful particles in the air that they breathe. With the incredible increase in the reported approval rate, for the nearly 100,000 applications filed, it is clear that more people than initially thought may be eligible for

¹⁶“Disaster Assistance Approval Rate Nears 89% for IFG Program; FEMA Provides Support to Enhance New

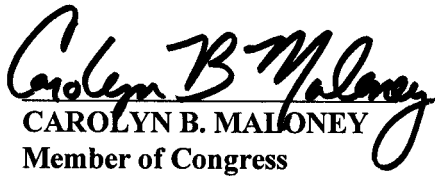
participation in the IFG program. If the deadline is not extended, these potential applicants will be denied participation in the IFG program.

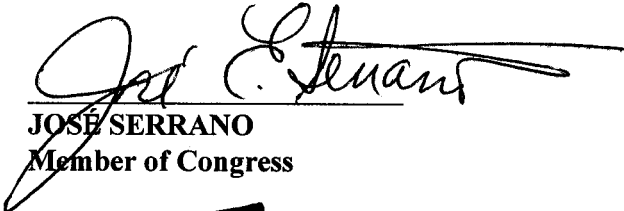
We know that you originally asked that the IFG program be extended to match the deadline for the Mortgage and Rental Assistance (MRA) program, but that this request was denied by the Bush Administration. In light of these statistics, what efforts to convince the Administration to extend the deadline are planned?

Again, we would be very happy if the reported data were correct, and we would join in commending the N.Y.S. Department of Labor for fixing the problems once they were brought to your attention. However, very few of our constituents nor community based groups have reported that they are actually receiving better service or are actually receiving the aid, as was the case when FEMA started to take extensive actions to fix these problems with the MRA program. We would appreciate your assistance in answering these questions and clarifying any discrepancies that may exist.

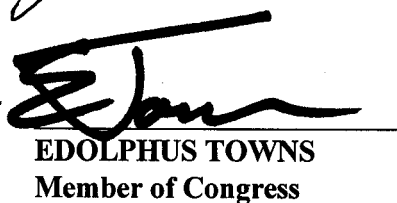
Thank you for your attention in this matter.

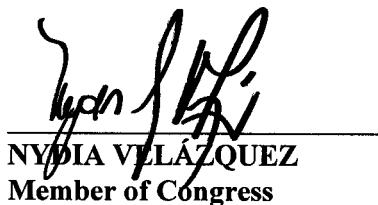
Sincerely,

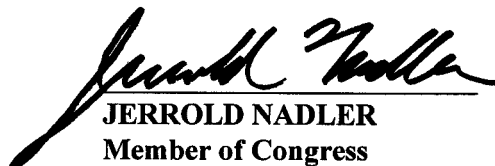

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Member of Congress


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Member of Congress


JERROLD NADLER
Member of Congress

cc:

The Honorable Joseph M. Allbaugh, Director of FEMA
The Honorable Michael R. Bloomberg, Mayor of New York