

United States Senate

WASHINGTON, DC 20510

January 16, 2020

The Honorable Mike Crapo
Chairman
U.S. Senate Committee on Banking,
Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Sherrod Brown
Ranking Member
U.S. Senate Committee on Banking,
Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Crapo and Ranking Member Brown,

I write to request you immediately hold hearings on the gross negligence exhibited by the Department of Housing and Urban Development (HUD) inaction in disbursing billions of dollars in congressionally appropriated funding for Puerto Rico's recovery. Any such hearings should include testimony from HUD Secretary Carson. Today, as Puerto Ricans struggle to recover from a deadly 6.4 magnitude earthquake and over 600 additional tremors since December 28, 2019, this funding is more critical than ever.

It's been nearly two years since Congress passed and the President signed the Bipartisan Budget Act of 2018 (P.L. 115-123) granting Puerto Rico nearly \$18.5 billion in Community Development Block Grant for Disaster Recovery (CDBG-DR) funding.¹ In July 2018, HUD approved the first of four recovery plans to allow Puerto Rico access to a first tranche of \$1.5 billion in CDBG-DR funding² appropriated in the Supplemental Appropriations for Disaster Relief Requirements Act, 2017.³ However, HUD delayed the signing of the grant agreement that would allow the local government to draw down from this funding until February 2019, more than a year after Congress appropriated the money. A month later, March 2019, HUD approved a second recovery plan for \$8.2 billion in CDBG-DR funding for unmet needs.⁴ As of today, more than 300 days later, HUD officials have yet to sign a second grant agreement to allow Puerto Rico access to this second pot of funding.

To make matters worse, on June 6, 2019 Congress passed and the President signed the Additional Supplemental Appropriations for Disaster Relief Act, 2019 (P.L. 116-20)⁵ which required HUD to publish all Federal Register notices for mitigation funding, including the notice on how Puerto Rico is to use a third tranche of \$8.3 billion in mitigation funding, by September

¹ Public Law No: 115-123 (02/09/2018)

² HUD Public Affairs (July 2018). *HUD approves \$1.5 billion disaster recovery plan in Puerto Rico*. [online] Available at: https://www.hud.gov/press/press_releases_media_advisories/HUD_No_18_078

³ Public Law No: 115-123 (09/08/2017)

⁴ HUD Public Affairs (March 2019). *HUD approves Puerto Rico's latest disaster recovery action plan; Approval comes with tight fiscal controls*. [online] Available at:

https://www.hud.gov/press/press_releases_media_advisories/HUD_No_19_017

⁵ Public Law No: 116-20 (06/06/2019)

4, 2019. Again, in blatant disregard for the law or the authority of Congress, the Administration has refused to comply.

For two years, HUD and senior personnel at the Office of Management and Budget have played a dangerous game with the lives of nearly 3.5 million Americans on the Island by finding innovative ways of delaying relief from reaching these citizens. The deadly consequences of which are again brought to light by the recent earthquakes that have struck the island. As such, it is imperative that the Senate Committee on Banking, Housing, and Urban Affairs exercise its oversight over the Administration and hold public hearings to uncover the reasons for delaying disaster relief funding to the people of Puerto Rico and call for the Administration to comply with the law.

I look forward to your response to this important and timely request.

Sincerely,



Robert Menendez
United States Senator



Catherine Cortez Masto
United States Senator



Elizabeth Warren
United States Senator