REP. STEPHEN F. LYNCH

Ranking Member
Subcommittee on National Security
"Bureaucratic Challenges to Hurricane Recovery in Puerto Rico"
March 22. 2018 at 10:00am: 2154RHOB

THANK YOU, MR. CHAIRMAN. I'D LIKE TO THANK YOU FOR HOLDING THIS HEARING TO EXAMINE THE PROGRESS OF FEDERAL HURRICANE RELIEF AND RECOVERY EFFORTS IN PUERTO RICO. I'D ALSO LIKE TO THANK OUR WITNESSES FOR HELPING THIS SUBCOMMITTEE WITH ITS WORK.

IT IS THE MISSION OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY, ALSO KNOWN AS FEMA, TO: "LEAD AMERICA TO PREPARE FOR, RESPOND TO, AND RECOVER FROM DISASTERS WITH A VISION OF A NATION PREPARED." THE CRITICAL ROLE OF FEMA AS OUR NATION'S COORDINATING FEDERAL ENTITY IN RESPONSE TO ALL DOMESTIC DISASTERS DEMANDS THAT THE AGENCY OPERATES AT MAXIMUM EFFICIENCY - IN ORDER TO MITIGATE THE DEVASTATING EFFECTS OF NATIONAL EMERGENCIES ON THE SAFETY AND SECURITY OF THE AMERICAN PEOPLE.

IN THE AFTERMATH OF THE LANDFALL OF TWO CATEGORY FIVE HURRICANES, IRMA AND MARIA, JUST TWO WEEKS APART ON PUERTO RICO IN SEPTEMBER OF 2017, FEMA HAS LED FEDERAL RELIEF AND RECOVERY

EFFORTS TO PROVIDE EMERGENCY FOOD AND WATER, TEMPORARY HOUSING, HEALTH CARE, POWER GRID RESTORATION, AND OTHER BASIC SERVICES TO THE SURVIVORS OF THIS CONTINUING HUMANITARIAN CRISIS. REGRETTABLY, THE AGENCY'S MISSION HAS BEEN GREATLY IMPAIRED BY MANY OF THE SAME OVERSIGHT CHALLENGES THAT UNDERMINED THE FAILED FEDERAL RESPONSE TO HURRICANE KATRINA IN 2005. PUERTO RICO AND ITS 3.5 MILLION AMERICAN CITIZENS DESERVE BETTER.

AS REPORTED BY THE SELECT COMMITTEE TO INVESTIGATE THE PREPARATION FOR AND RESPONSE TO HURRICANE KATRINA IN 2006, "FEMA LOGISTICS AND CONTRACTING SYSTEMS DID NOT SUPPORT A TARGETED. MASSIVE, AND SUSTAINED PROVISION OF COMMODITIES" TO AFFECTED GULF RESIDENTS. THE AGENCY DID NOT HAVE ADVANCE CONTRACTS IN PLACE THAT ANTICIPATED WHAT SUPPLIES WOULD BE NEEDED IN THE WAKE OF THE HURRICANE. ACCORDING TO THE SELECT COMMITTEE, THIS "LED TO CHAOS AND THE POTENTIAL FOR WASTE AND FRAUD AS ACQUISITIONS WERE MADE IN HASTE." OUR OWN COMMITTEE HEARINGS INTO KATRINA CONTRACTING IN 2006 REVEALED INSTANCES WHERE DEBRIS REMOVAL CONTRACTORS WOULD ARRIVE AT A FEDERAL DUMPING SITE, CHECK IN, AND DRIVE AWAY - ONLY TO RETURN LATER WITH THE SAME TRUCKLOAD AND RECEIVE DOUBLE

PAYMENT. THE FEDERAL GOVERNMENT ALSO SPENT MILLIONS OF DOLLARS ON CONTRACTS WITH COMPANIES TO INSTALL TEMPORARY BLUE PLASTIC SHEETING ON DAMAGED HOMES; THESE BLUE ROOFS WERE BILLED TO THE AMERICAN TAXPAYER BUT NEVER INSTALLED.

DESPITE THE LESSONS LEARNED FROM HURRICANE KATRINA MORE THAN A DECADE AGO, WE ARE ONCE AGAIN RECEIVING SIMILAR REPORTS OF WASTE, FRAUD, AND ABUSE IN FEDERAL CONTRACTING RELATED TO THE PUERTO RICO RELIEF EFFORT. NEARLY ONE MONTH AFTER HURRICANE MARIA HIT THE ISLAND, FEMA AWARDED A \$156 MILLION CONTRACT TO TRIBUTE CONTRACTING, L.L.C. - A ONE-PERSON COMPANY OWNED BY TIFFANY BROWN - TO PROVIDE 30 MILLION EMERGENCY MEALS. MS. BROWN RECEIVED THE CONTRACT DESPITE HER FAILURE TO FULFILL AT LEAST 5 PREVIOUS AND MUCH SMALLER FEDERAL CONTRACTS - INCLUDING A \$27.000 DOLLAR FEDERAL PRISON SYSTEM CONTRACT THAT WAS CANCELED BECAUSE SHE COULD NOT DELIVER THE REQUIRED BEANS, FLOUR, SPAGHETTI, AND OTHER FOOD. AS THE SOLE EMPLOYEE OF HER COMPANY, MS. BROWN SOUGHT HELP IN FULFILLING HER NEW FEMA CONTRACT AND HIRED A WEDDING CATERER WITH ONLY 11 EMPLOYEES TO FREEZE-DRY MEALS. IN A LETTER SENT TO FEMA LAST MONTH, MEMBERS OF THE SENATE GOVERNMENTAL AFFAIRS COMMITTEE ALSO UNDERSCORED THAT MS. BROWN'S INITIAL 9-PAGE BID PROPOSAL APPEARED TO BE PLAGIARIZED FROM SEVERAL READILY-AVAILABLE SOURCES ON THE INTERNET. WHILE <u>FEMA</u> CANCELED THE CONTRACT AFTER MS. BROWN COULD ONLY DELIVER 50,000 OF THE REQUIRED 30 MILLION MEALS, THE RESIDENTS OF PUERTO RICO, THE AMERICAN TAXPAYER, AND THIS COMMITTEE ARE LEFT ASKING HOW <u>FEMA</u> COULD HAVE AWARDED THE CONTRACT IN THE FIRST PLACE.

SIMILARLY, IN OCTOBER OF 2017 THE AGENCY AWARDED TWO CONTRACTS TOTALING \$30 MILLION DOLLARS TO A NEWLY-FORMED FLORIDA COMPANY, BRONZE STAR, L.L.C., TO PROVIDE EMERGENCY TARPS AND PLASTIC SHEETING FOR REPAIRS IN PUERTO RICO. THE COMPANY, OWNED BY RICHARD AND KAYON JONES, TWO BROTHERS OPERATING OUT OF A SINGLE-FAMILY HOME, HAD NEVER RECEIVED A FEDERAL CONTRACT OR DELIVERED THESE MATERIALS BEFORE. FEMA CANCELED THE CONTRACTS IN NOVEMBER AND ADMITTED THAT IT HAD NOT PERFORMED DUE DILIGENCE.

PRESIDENT TRUMP HAS GRADED THE FEDERAL RELIEF AND RECOVERY EFFORT IN PUERTO RICO AS "GREAT," "AMAZING," "TREMENDOUS" AND A "10" OUT OF 10. I DON'T THINK SO. IT MAY HAVE BEEN A 10 FOR TIFFANY BROWN

AND THE JONES BROTHERS BUT IT SURELY HASN'T BEEN A 10 FOR THE PEOPLE OF PUERTO RICO OR THE U.S. TAXPAYER.

IN LIGHT OF THESE AND OTHER REPORTS, CONGRESSIONAL OVERSIGHT WILL SERVE AN EVEN MORE CRITICAL ROLE IN ENSURING THAT OUR MASSIVE RECOVERY EFFORT WILL NOT BE FURTHER IMPEDED BY A FAILURE TO PROPERLY VET FEDERAL CONTRACTORS. I STRONGLY URGE THE AGENCY TO COMPLY WITH THIS COMMITTEE'S REQUESTS FOR DOCUMENTS PERTAINING TO THE FEDERAL PREPAREDNESS AND RESPONSE TO HURRICANES IRMA AND MARIA IN PUERTO RICO AND THE U.S. VIRGIN ISLANDS. THIS INCLUDES A BIPARTISAN DOCUMENT REQUEST SENT BY CHAIRMAN GOWDY AND RANKING MEMBER CUMMINGS OVER FIVE MONTHS AGO. I WOULD ALSO URGE THE LEADERSHIP OF THIS COMMITTEE TO ORGANIZE A BIPARTISAN OVERSIGHT DELEGATION TO THE DAMAGED AREAS - AS WE DID IN 2005 FOLLOWING HURRICANE KATRINA - SO THAT WE MAY CONDUCT DIRECT OVERSIGHT OF FEDERAL RECOVERY EFFORTS, RECEIVE FIRST-HAND ACCOUNTS FROM THE AFFECTED PEOPLE, AND GET THIS RIGHT.

THANK YOU, MR. CHAIRMAN, I LOOK FORWARD TO DISCUSSING THESE AND OTHER ISSUES WITH OUR WITNESSES AND YIELD BACK THE BALANCE OF MY TIME.