

**Opening Statement**

**Chairman Michael G. Oxley  
Financial Services Committee**

**Subcommittee on Housing and Community Opportunity  
Housing Options in the Aftermath of Hurricanes Katrina and Rita**

**Wednesday, December 14, 2004**

---

Thank you, Chairman Ney for scheduling this important hearing on Housing Options in the Aftermath of Hurricanes Katrina and Rita. It is critical that we have a better understanding of the role that FEMA and HUD have played in response to these disasters. The impact of Katrina and Rita on the Gulf Coast Region and specifically on the availability of housing is unprecedented. We do not, today, fully understand its impact; and it will be months, perhaps years, before we truly understand the ramifications on housing related issues in the region.

Hurricanes Katrina and Rita have resulted in the displacement of tens of thousands of families from their homes. This hearing and future hearings will provide us with an opportunity to determine if changes are necessary to ensure that we are better prepared for future disasters and to more adequately meet the needs of the current hurricane victims. While FEMA has primary responsibility for coordinating disaster relief efforts and providing certain services to help communities recover, the Department of Housing and Urban Development (HUD) has played an integral role in helping to meet the critical needs of disaster victims.

Last week this Subcommittee heard from FEMA regarding its efforts to provide housing assistance to the hurricane evacuees. Today, we welcome our witnesses from HUD.

On September 23, 2005, FEMA and HUD announced two distinct programs to address the housing needs resulting from Hurricane Katrina. The majority of individuals in need of housing will be assisted through FEMA's Individual and Household Grants (IHG) program. Under the program, grants are made to localities to assist disaster victims whose needs cannot be met through other forms of assistance. Individual and Household Grant funds have a wide range of eligible uses, including temporary housing, funds for mortgage or rental payments, counseling services, unemployment assistance and medical assistance.

Families that may not qualify for FEMA assistance could possibly qualify for assistance under HUD's Katrina Disaster Housing Assistance Program (KDHAP).

This Committee has been at the forefront of the hurricane relief efforts with six bills that have passed the House, three bills that have passed the Committee and are pending in the House, three hearings, four briefings, and 79 witnesses. How best to go about the reconstruction and the potential impact and problems facing the mortgage and financial services industry are all issues that will need to be addressed.