Congress of the United States Washington, DC 20515

January 17, 2019

Ms. Helen M. Albert Acting Inspector General U.S. Department of Housing and Urban Development 451 7th St SW Washington, DC 20410

Dear Ms. Albert,

We write to express our grave concerns over news reports that the United States Department of Housing and Urban Development ("HUD") Deputy Secretary Pamela Patenaude has resigned due to disagreements, in part, over this Administration's directives to interfere with the release of Puerto Rico disaster relief funds.¹ This disturbing news is another example of the failures of this Administration's disaster response and recovery efforts. The purpose of this letter is to confirm the veracity of the underlying issue – whether the current Administration is indeed purposely hindering the release of funds previously appropriated by Congress – in contravention of law.

Hurricane Maria took place on September 20, 2017 – almost 16 months ago. This hurricane had a devastating island-wide impact that resulted in the death of thousands of Americans and over \$100 billion dollars in estimated damages. In response to the recovery efforts, Congress passed three supplemental appropriations bills to deal with the catastrophic effects of the 2017 natural disasters.²

From these appropriations, HUD has made three allocations to the Government of Puerto Rico in Community Development Block Grants-Disaster Recovery ("CDBG-DR") funds for unmet needs and mitigation activity totaling nearly \$20 billion.³ These funds would not only help Puerto Rico recover, but also foster much-needed economic growth. Despite HUD's approval of Puerto Rico's Action Plan for the use of the first of the allocations,⁴ we understand that HUD has yet to make little of these funds available. Moreover, HUD's review and approval of additional action plans

¹https://www.washingtonpost.com/business/economy/top-hud-officials-departure-follows-disagreements-overhousing-policy-and-puerto-rico-disaster-funds/2019/01/16/e6ba5be4-1839-11e9-9ebf-

c5fed1b7a081_story.html?utm_term=.59dbae47cd96

² P.L. 115-56, P.L. 115-123 and P.L. 115-72

³ <u>https://www.federalregister.gov/documents/2018/08/14/2018-17365/allocations-common-application-waivers-and-alternative-requirements-for-community-development-block; and</u>

https://www.hud.gov/press/press releases media advisories/HUD No 18 028

⁴ https://www.hud.gov/press/press_releases_media_advisories/HUD_No_18_078

submitted by the Government of Puerto Rico are currently on hold, purportedly, due to the partial government shutdown.⁵

In light of the disturbing allegations that the Administration directed HUD to withhold disaster relief funds, we request that you open an investigation and also answer these specific questions:

- 1. Has the Office of Management and Budget or any other office within the White House directed HUD to unduly withhold or otherwise hinder the obligation of CDBG-DR funds to address the consequences of Hurricane Maria?
- 2. Was there any undue influence applied to Deputy Secretary Patenaude prior to her resignation regarding the obligation and disbursement of CDBG-DR funds to Puerto Rico?
- 3. The "HUD Contingency Plan for Possible Lapse in Appropriations 2018" generally provides for the continued administration of disaster relief.⁶ What considerations, instructions, directives or otherwise did HUD take into account to depart from this established contingency plan?
- 4. Prior to the partial government shutdown that commenced on December 22, 2018, has HUD ever discontinued the processing of disaster relief during other government shutdowns? If so, please list such instances.

Your oversight of this issue is imperative to ensuring the Administration is carrying out Congress's requirement to provide support to Puerto Rico and the over 3.2 million United States citizens living there. We trust that this investigation and the answers to these questions will help us remove any administrative roadblocks.

Sincerely,

Nydia M. Velázquez Member of Congress

Bennie G. Thompson Member of Congress

Raúl M. Grijalva

Member of Congress

⁵ <u>https://www.federalregister.gov/documents/2019/01/09/2019-00050/wajver-and-alternative-requirement-for-</u> community-development-block-grant-disaster-recovery-cdbg-

⁶ https://www.hud.gov/sites/documents/HUDCONTINGENCYPLANFINAL.PDF