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January 27, 2005

The Honorable Susan M. Collins
Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510

The Honorable Joseph I. Lieberman
Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510

Dear Chairman Collins and Ranking Member Lieberman:

We are writing regarding the Governmental Affairs Committee investigation into alleged fraud and abuse at the Federal Emergency Management Agency (FEMA). As you know, after Hurricane Isabel struck the East Coast in September 2003, we found that there were widespread problems in the National Flood Insurance Program operated by FEMA. As a result, we requested that FEMA undertake a thorough review of all disputed flood insurance claims arising from Hurricane Isabel, in addition to passing legislative reforms to the National Flood Insurance Program.

We continue to receive complaints about FEMA's handling of flood insurance claims, and have been contacted by Marylanders who believe that as a result of fraud and abuse at FEMA, they are unable to receive fair settlements under their flood insurance policies. We have asked the General Accounting Office, the Inspector General's office at the Department of Homeland Security, and the Department of Justice to investigate these claims.

We strongly urge you to expand your investigation to include the alleged fraud and abuse within the National Flood Insurance Program. There are clearly problems within FEMA that have resulted in hurricane victims not collecting correct amounts of assistance, whether that be emergency grants or flood insurance settlements. We request that you thoroughly investigate this matter further.

Sincerely,

Paul Sarbanes
Senator Paul S. Sarbanes

Barbara A. Mikulski
Senator Barbara A. Mikulski

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