September 14, 2005 Wednesday

TYPE: COMMITTEE HEARING

LENGTH: 29030 words

COMMITTEE: SENATE HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS COMMITTEE

HEADLINE: U.S. SENATOR SUSAN M. COLLINS (R-ME) HOLDS A HEARING ON HURRICANE KATRINA RECOVERY

SPEAKER:
U.S. SENATOR SUSAN M. COLLINS (R-ME), CHAIRMAN

LOCATION: WASHINGTON, D.C.

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PATRICIA OWENS, FORMER MAYOR, GRAND FORKS, NORTH DAKOTA
MARC MORIAL, FORMER MAYOR, NEW ORLEANS, PRESIDENT AND CEO, NATIONAL URBAN LEAGUE
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BODY:

U.S. **SENATE HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS** COMMITTEE HOLDS A HEARING ON HURRICANE KATRINA RECOVERY

SEPTEMBER 14, 2005

SPEAKERS:
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U.S. SENATOR NORM COLEMAN (R-MN)

U.S. SENATOR TOM COBURN (R-OK)
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U.S. SENATOR ROBERT F. BENNETT (R-UT)
U.S. SENATOR PETE V. DOMENICI (R-NM)
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U.S. SENATOR DANIEL K. AKAKA (D-HI)
U.S. SENATOR THOMAS R. CARPER (D-DE)
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U.S. SENATOR MARK PRYOR (D-AR)

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COLLINS: The committee will come to order.

Today, the committee begins an inquiry into the Hurricane Katrina disaster. I would like to thank my colleagues and our witnesses -- and particularly my ranking member, Senator Lieberman -- for their prompt cooperation on a matter of such urgency.

In the months ahead, this committee intends to conduct a thorough, deliberate and fair review of the preparation for and response to this devastating hurricane at all levels of government.

We will ask the hard questions about the adequacy of the planning efforts for this long-predicted natural disaster.

We will explore the coordination among local, state and federal emergency management officials before and after the hurricane's landfall.

And we will critically examine the legal structures and authorities that define who is in charge of assets that must be brought to bear in such a catastrophic event.

Since the terrorist attacks of September 11th, 2001, America has worked hard and invested billions of dollars to create an emergency preparedness and response structure that would bring together local, state and federal authorities into one cohesive and effective unit.

In its first major test since 9/11, however, this structure failed to meet our expectations.

At this point, we would have expected a sharp, crisp response to this terrible tragedy. Instead, we witnessed a sluggish initial response that was characterized by a confusing lack of unity of command, a lack of coordination among different levels of government and a lack of communication -- sometimes even an inability to communicate at all -- among government entities, first responders, utilities, health-care providers and other emergency workers.

Some have said that the problems have been caused by the federal government's post-9/11 focus on

terrorism.

Our committee will look at that issue, but I will tell you at the outset that I really doubt that, that is the problem.

Much of our preparation for a terrorist attack is equally applicable whether the cause of the incident is a natural disaster, fire or accident. For example, if the levees in New Orleans had been breached by a terrorist attack instead of a hurricane, we would still be faced with very similar evacuation, rescue and recovery challenges.

Another issue that we will examine is whether FEMA should be part of the Department of Homeland Security.

Again, I will say at the outset that my inclination is that it should be part of DHS. Whether it is a terrorist attack or a natural disaster, FEMA plays a key role in the response.

DHS includes offices that support preparedness at the state and local level, as well as federal agencies like the Coast Guard that play critical roles in planning and response.

Including FEMA as part of DHS should promote better coordination with these agencies.

Another question that is being debated is whether or not an outside commission should be formed to investigate Katrina. The answer to that question really has no bearing on our work here.

Regardless of whether an outside commission is established, it is essential that Congress conduct an aggressive inquiry.

We would be remiss if we ignored our clear responsibility to conduct oversight to identify why the preparation and initial response were so woefully inadequate. We must identify problems so that we can change the laws and institute the reforms that only Congress has the power to implement.

The purpose of our work here is not simply to place blame. Such an inquiry would be unproductive and misguided.

Without a single human error, Katrina still would have been a natural disaster on an order of magnitude rarely seen on Earth.

But our inquiry must lay bare the painful evidence of human errors that added to the suffering. We must learn the lessons from Katrina so that we can better protect our people the next time a disaster strikes.

In conducting this inquiry we are determined not to divert resources from the recovery efforts that are still at a critical stage. Ensuring that federal, state, local and private emergency efforts have the resources and the leadership needed must remain our first priority and our highest obligation.

In that spirit, this first hearing will focus on how we can best assist the victims of Katrina -- the 450,000 families that require long-term housing, the newly unemployed, the shuttered small businesses, the overwhelmed school systems, the obliterated communities.

We have with us here today witnesses who have led with distinction when faced with natural disasters. We will seek their advice on what we can do now -- right now -- to assist and comfort the victims of Katrina, to stabilize the economy of the Gulf Coast and to plan for the reconstruction.

Let me close with a word of thanks.

Despite the failures and shortfalls of the response, there have been many more acts of courage and compassion. Many first responders and medical providers, the Coast Guard, the National Guard, active duty troops, private citizens and, yes, FEMA employees, have worked heroically and tirelessly. Neighbors have reached out to neighbors.

One incredible fact that I learned last week from the Coast Guard briefing of this committee: Seventy percent of the Coast Guard members based in the Gulf Coast who were heroically rescuing tens of thousands of people over the past two weeks had lost their own homes in Hurricane Katrina. Yet they carried on and they did their job helping others.

And throughout our nation, Americans have done what they always do in times of crisis: they have opened their hearts, their wallets and even their homes.

Katrina has raised serious and troubling questions about how our governments respond to catastrophic events -- questions that we will answer over the course of this investigation.

But Katrina has also shown, once again, that the spirit and character of the American people gives our nation a resiliency to recover from any catastrophe.

Senator Lieberman?

LIEBERMAN: Thanks very much, Madam Chairman, for that excellent opening statement.

The fact is that fate has given this committee a very important responsibility -- I suppose I'd say fate and the Senate role -- given this committee a very important responsibility to investigate the conduct of the federal government, also to look at the state and local governments in preparation for and response to Hurricane Katrina.

And what is required now -- clearly, in the national interest -- is an independent-minded, open-minded, nonpartisan, no-holds-barred investigation to see what worked and what didn't work, what we have to be grateful for and what we ought to be angry and unsatisfied with in the governmental response.

And I know that our leaders are still negotiating here in the Senate and in the House, exact contours of that debate. But the fact is, one way or the other, this committee, as you have said, has a responsibility to proceed because we are the committee with oversight responsibility over the Department of Homeland Security and the Federal Emergency Management Agency. And we will proceed.

And I am confident that under your leadership, we will proceed in exactly the nonpartisan independent manner that the seriousness of this hurricane and what it revealed about government's incapacity -- at least in this case -- to respond to protect the American people in crisis.

When I express my confidence in you and this committee, it's the result of experience, not just faith.

We will do it because we have done it, and we will do it the right way. Because I'm proud to say we have as a committee done it the right way, most recently in the response to the 9/11 Commission report, when we had a very thorough debate of the legislation in this committee.

Before we reported to the Senate, we had two days of amendments and discussion and debate. Not a

single one of those votes on those amendments broke on partisan lines.

And that is exactly the spirit here in another hour of national urgency that is required of us. And I have no doubt that we will, as a committee under your leadership, meet that test.

This morning's hearing gives us an opportunity to begin to look at what we can do to aid the people of New Orleans and the rest of the Gulf Coast with their recovery in the aftermath of the destruction wrought by Hurricane Katrina. This, too, is a critical part of our oversight responsibility.

This hearing is about today and tomorrow, not about yesterday.

Our staff investigation of the preparation and response to Hurricane Katrina has begun, and when we are ready we will go, in whatever the form is, to public hearings.

This is not about that. This is about the future, and this is a moment when we hope to step in early to ensure that the federal government and the state and local governments together get the recovery and building process right -- better than they got the preparation and response process.

This is an opportunity to hear from experts -- and we have some experienced ones before us -- and to begin to lay down some markers on what should be done now and in the days ahead to help put these communities back on their feet.

It's also an opportunity to begin to consider how we can make sure that we spend the more than $60 billion already rapidly approved by Congress -- with billions and billions more likely on the way -- wisely and efficiently -- how we can make sure that we spend it wisely and efficiently. And that we will do together.

Hurricane Katrina's path of destruction has caused, obviously, a loss of life and property beyond any experienced in a single natural disaster event in our lifetimes. The personal and human toll from this storm on those directly affected has been immense.

But it has also taken a toll on the millions and millions of other Americans who watched the hurricane and its aftermath with increasing shock, grief, then anger, and then I would say embarrassment -- embarrassment at the government's failure to adequately protect its citizens affected by this hurricane and embarrassment at the reality exposed by the hurricane, which was the other America of the poor, who were left behind when the evacuations began post-Katrina, and are left behind every day in cities and towns throughout our country.

The American people didn't like what they saw, and I think that's part of why they, individually and in groups, have responded with such generosity to help those who have been hurt.

This is a moment of tragedy, but it is a moment of opportunity, if we handle it well and right and strongly, to pull our country together, to help these people and this region recover, and in a larger sense to deal with the lack of opportunity of all those who are left behind every day in our country.

For me, as we focus today on what's happening now, it is a real opportunity to begin to restore the confidence so many people in our country have lost in our government as they watch the response to this hurricane, by showing that we can get the rescue, recovery and rebuilding right, and that the government will play a critical and constructive leadership role in that.

I want to thank our witnesses, Governor Wilson, Mayor Owens, Mayor Morial and Mr. Logan for being

here today. They bring extraordinary experience to the table before us that can help us do exactly what we want to do. And that's what Senator Collins hoped that this committee will be able to help.

And I say, finally, this country has a history, and it mirrors our national values and attitude, which is like individuals and communities and organizations in life -- everybody is knocked down at some point, or stumbles down at some point. The test is whether and how we get up.

And I think we're ready to prove what we're made of again as a people, and we're again ready to prove, and committed to prove, that our government is prepared to be as competent as the American people have a right to expect that we will be.

Thank you, Madam Chairman.

COLLINS: Thank you.

Senator Voinovich?

VOINOVICH: Chairman Collins, thank you for holding this hearing today. I applaud your initiative and leadership in considering the next stage of the recovery effort.

Hurricane Katrina may be the largest natural disaster that this country has ever experienced.

The recovery effort will be monumental, and I'm pleased that you brought such an experienced panel before the committee to assist us as we proceed. It's great to have a former governor and two former mayors on the panel, and a distinguished guest from the International Red Cross.

I must say -- as a former mayor and governor and county commissioner -- the rubber hits the road when we have disasters on the city, county and state levels.

I would first like to take this moment to extend my deepest sympathies to the victims and loved ones of this unprecedented disaster.

I know all of our prayers and thoughts go out to those individuals, and, Madam Chairman, you'd be interested to know that we finally worked it out through the Ethics Committee that we are now going to have a Senate Katrina fund as part of the combined charities campaign. And we're going to be urging all senators who haven't -- and all members of our staff -- to contribute to this fund so that we can show our concern for our brothers and sisters and those in that part of the country that are suffering so much.

I'd also like to recognize the dedication of those who have offered tireless assistance to the victims of Katrina.

To date, 50,000 people have been rescued, 208,000 are housed in shelters around the country, and countless families have relocated out of state.

It's amazing, the calls that all of us are getting from our constituents who say, "I'd like to take a family and take them in." It's just unbelievable, the outpouring that we're having in this country to help those that need.

There has been much criticism of the relief effort, but I applaud the over 80,000 federal personnel on the ground responding, including 22,000 active-duty personnel, 1,900 reservists, almost 9,000 FEMA people, 4,000 Coast Guard.

And we have 51,000 National Guard people, including 1,500 from Ohio, 300 of which were there Thursday night at the Superdome, and we have -- they're still out in the street in New Orleans -- 300 of them.

And we've got 1,200 in Mississippi that are doing search and rescue and logistics, and all of the other things that they're doing.

I'm very proud of them, and I think we owe a debt of sacrifice to those individuals who are there and the families that are supporting them.

Katrina's impact is unfathomable.

An entire region was irrevocably affected.

I cannot conceive of a perfect evacuation or mitigation effort for circumstances of this magnitude.

I know that we will all have questions about the timely response to this catastrophe, and in due time we will work to make sure these questions are answered.

However, our responders have a job to do on the Gulf Coast, and our objective should be to offer assistance and to speed recovery and respond to the needs of those impacted, including trying to get the best information we can to them about whether or not there's going to be a job for them, a home for them, so they can make very important decisions in what they're going to do with the rest of their lives.

In addition to recovery and rebuilding, we must take this opportunity to improve our capability to respond.

Secretary Chertoff has made many recommendations for reforming the department. Before this, he said that FEMA should be taken out of the directorate that it's in and made directly answerable to the secretary of the department.

In closing, I look forward to working with my colleagues to ensure that we conduct a measured and deliberate examination of the aftermath of Hurricane Katrina.

Madam Chairman, and ranking member -- Senator Collins and Senator Lieberman -- I'm glad that you said that it's the responsibility of this committee and its members to determine what went right and what went wrong on the Gulf Coast. And I think we've got to be very careful that when something like this happens, that we just decide, "Well, we're going to have some independent group do it."

It's our responsibility, and I'll never forget -- when I ran for mayor, I said we were going to get into the bowels of the city of Cleveland. And when I ran for governor, we were going to get into the bowels of state government.

Well, by golly, we're going to get into the bowels of the Department of Homeland Security and make sure that the next time around it'll be able to get the job done that we expect it to do.

COLLINS: Thank you.

Senator Levin?

LEVIN: Madam Chairman, thank you, and thanks to Senator Lieberman for convening the hearing and for your leadership in the investigation which is essential into the events surrounding Katrina.

I'm glad that our first hearing is focused on the needs of the people who survived Katrina.

Private generosity has been overwhelming, but it cannot meet most of the needs caused by the Katrina disaster. We need housing, both temporary and permanent, for as many as half a million individuals, health care, environmental cleanup, oil refinery reconstruction, removal of debris, road and bridge repair, and so forth.

We have a special responsibility on this committee -- in addition to oversight, reviewing the events and the failures surrounding the Katrina disaster. We must oversee the ongoing federal spending, which is already $62 billion. We have jurisdiction over the Department of Homeland Security, FEMA, and federal procurement issues in general.

So we have the authority specifically to oversee the laws which govern the spending of federal money, including the Competition in Contracting Act.

If contracts are being given to favorites instead of to people who are the most qualified and the most efficient, if we do not have a process to make sure that federal funds are spent properly -- in other words, without active ongoing oversight by this committee -- public support for the Katrina recovery effort will erode and deepen the distrust of the federal government, which is already plenty deep given the federal failures following the catastrophe of Katrina.

And so that is our -- a responsibility which I know we're going to add to the other responsibilities which we are undertaking.

We have an opportunity later this morning to act in one area where we know we have an urgent need and where we have failed to provide the resources to local and state governments, and that has to do with the ability of first responders to communicate with one another.

Interoperable communications is listed by just about every mayor I've talked to, every county commissioner I've talked to, about every governor I've talked to -- interoperable communications is either at the top of the list or high on the list.

And yet, the U.S. Conference of Mayors found in a 2004 report that 88 percent of the cities surveyed do not have interoperable communications capabilities with Department of Homeland Security agencies, including FEMA.

Eighty-three percent of the cities surveyed report that they have interoperability communications problems with Justice Department, including FBI and other parts of the Justice Department.

Seventy-five percent of the cities surveyed by the U.S. Conference of Mayors reported that they have not received any federal funds for interoperable communications.

We're going to vote in a few minutes on an amendment of Senator Stabenow which would provide the first part, down payment of the $15 billion needed to provide interoperable communications. It's an amendment which would provide $5 billion of that $15 billion, which is so essential.

So we can act as a Congress in a way we have not acted so far, to provide dedicated, focused funding for interoperable communications.

Madam Chairman, there's a number of questions which I set forth, including some -- it seems to me -- inadequate questions which have been even asked so far relative to notice which was given by the FEMA director, yes, on Monday night on television to our leaders about the flooding which was taking place. And yet, 24 hours later our leaders did not apparently have knowledge of the fact that we had this massive flooding in New Orleans.

I lay out these questions in my opening statement.

I would ask that the opening statement be made part of the record at this time.

COLLINS: Without objection.

LEVIN: I thank the chair.

COLLINS: Senator Coleman?

COLEMAN: Thank you, Chairman Collins, for your expeditious and conscientious way that you've brought this hearing about.

The nation is full of questions and wait for answers, and we begin to meet that urgent need today.

I also want to express my appreciation for the foresight of the chair and the ranking member to focus on the road ahead today before we collectively look back. And we will collectively look back, and we need to get answers of what went wrong.

But it is important to look to the future.

Some may say that a storm of this magnitude so overwhelmed our expectations that it destroyed our ability to respond. Others will say that all things are basically manageable and that this was primarily a failure of systems of government on which people -- regular people -- depend for our protection. And I think each is partially right and each is partially wrong.

And I second the words of my colleague, the former mayor and governor, that we need to get to the bowels of Homeland Security and figure out what wasn't done, talk to folks at the local level and state level, understand what was beyond the scope of government, and pull all that together.

I served as mayor of St. Paul, and in that capacity I had the opportunity to travel and (inaudible) disaster that occurred in Grand Forks, North Dakota, the tremendous leadership of Mayor Owens.

It's great to have you here.

That flood and subsequent destruction ravaged an area that was already hard hit by economic hardship. I recall meeting with a local official in East Grand Forks, right across the river, and I asked him for the total financial assistance the area would need to receive. And he said to me, "A few million dollars less than Kevin Garnett just received in his new NBA contract."

I think an event like this brings us all to -- about questions of values into sharp focus, and I think that's important.

An observation: First of all, I think we all heard the statement, "every crisis is an opportunity in

disguise." And for those who lost their lives, their homes, and everything, this tragedy wears no mask.

And we need to confront the painful reality of what has happened to them and deal with that.

But for the rest of us, Hurricane Katrina is an opportunity to learn lessons that may spare another community of a similar fate.

I also am looking forward to the prospect of a brighter future.

When I was mayor, my mantra was "hope and confidence yield investment." Hope comes from government doing its business right, from there being a sense of -- confidence comes from people believing that there are those who are going to be there when they need them. Hope comes from a brighter vision for the future.

I do believe that we have to take the events of this up to build that brighter vision of the future, not just rebuild what was.

There are 400 schools that have been destroyed. Do we rewire them in 20th-century technology, or do we do 21st-century technology?

And part of my questions will be, how do we at the federal level help bring to the table some of the ideas of urban planning and vision that are out there, but do not override local concern and direction?

Somehow we have to bring that together.

This is a moment of opportunity. We can bring hope to the people of the Gulf Coast. We should be doing that, not alone by ourselves but working in partnership.

So I hope that we get there.

We will have a time to look back, and we will look back. But let us take advantage of this time to look forward and to make sure that we are building that future of greater hope and greater confidence, and ultimately greater investment in the communities that have been so ravaged.

Thank you, Madam Chair.

COLLINS: Thank you.

Senator Akaka?

AKAKA: Thank you very much, Madam Chairman and ranking member.

I wish to compliment both of you for once again taking the lead on an issue so critical to this nation, and the response to Hurricane Katrina.

I also want to welcome our distinguished panel, representing the state, county, and national organizations to this committee hearing.

Madam Chairman, I have a longer statement that I request to be made part of the record.

COLLINS: Without objection.

AKAKA: The devastation to the Gulf Coast region -- what can I say, it's staggering.

To the millions of Americans affected by this catastrophe, I extend my prayers. For those who have lost their lives and for those who are in mourning and those who are suffering, we have the difficult task of making sure that those in need and those who seek to provide relief are served well by their government.

This national emergency is a humanitarian crisis of enormous dimensions. The world has witnessed tens of thousands of Americans lacking the basic necessities of food, water, shelter, safety and medicine.

Sadly, when Katrina's victims needed the federal government most, there was a crisis of leadership. I'm not pointing fingers or assigning blame, but I know that many Americans are angry and are seeking accountability.

I have received hundreds of letters from my own constituents from Hawaii.

Hawaii is also threatened by hurricanes, and has been badly battered in the past by them. It is the hurricane season now in Hawaii.

My constituents want to know what their leaders did wrong and what they did right. They want to know how the government can do better.

They want to be assured that if Hawaii is hit again, that they will be helped. And all Americans want this assurance.

Since September 11, 2001, the Congress has given considerable attention to making Americans more safe. Yet, there are disturbing similarities between Hurricane Katrina and 9/11, similarities in what was known beforehand and how the government responded to pending dangers.

On 9/11, we found that the president and other senior leaders received intelligence and law enforcement reports about imminent threats to Americans.

In the case of Katrina, the National Weather Service tracked the hurricane for a week across the Atlantic and through the Gulf of Mexico, and the administrator of NOAA rightly stated, and I quote, "this storm was reported as widely as any I have ever seen," unquote.

Moreover, there were numerous studies and news reports about the dangers of this strong hurricane would pose to the levees.

And the point is, since 9/11, we should have done a better job preparing to protect Americans.

This unprecedented disaster is not only a test of our nation's character, but it is also an opportunity to improve.

We need to examine our national priorities and give greater attention to the needs of Americans, and even think of evaluating the structure of DHS and its response capacity, and to search for ways to do better.

Thank you, Madam Chairman.

I welcome our witnesses and look forward to their testimony.

COLLINS: Thank you.

(OFF-MIKE)

DOMENICI: First, Madam Chairman, I want to say to both of you that I believe it's imperative that you proceed as you started today.

A couple of statements that have come forth here I believe deserve being repeated.

Senator Lieberman, you have approached this, in my opinion, in terms of looking at what went wrong. You've approached it as a senator should -- not as a partisan senator. You have said this committee should find out what went right and what went wrong.

Inherent in that statement is that there is sufficient confidence in your mind that a congressional committee, structured as we structure committees, should do this. Because that's how we're structured, with the majority having one more than the minority.

I am really, as a long-time senator -- I just cannot believe what I'm hearing these days.

We have a problem like this, and it is instantly stated by some that Congress can't answer this question -- that it has to have some special outside committee. And I assume implicit in that is that we would have to play politics, that we would not appropriately set responsibilities, and responsibilities achieved, and responsibilities that failed.

I don't believe we need an outside committee every time there is a problem in this country. And we ought to do it, whether it's this committee, or whether our leadership says there should be another. It should be a congressional committee with the same kind of virtues and the same kind of liabilities that committees have.

So I thank you for that. I don't know that you expected it to be interpreted as I did, but I nonetheless believe that it is imperative that it be stated.

You are not asking that another committee be appointed, and I don't think you would be upset if the leadership appointed a congressional committee, and you were on it, which you probably would be.

And some would not be on it -- maybe they would be upset. But they're not all on this committee either, so they're going to be upset anyway. They want to hold their own hearings. Enough of that issue.

Secondly, one senator suggested that we ought to quickly fund an amendment on the floor that asks for telephone -- interoperable -- what do you call it -- communications.

I'm not sure we should do that. Why am I not sure?

Because I don't know what kind of plan we have for the recovery of the area. That might not be the most important thing we have to do.

We ought to find out what we're going to do, and then start to fund what we're going to do, with the exception of those things that are absolutely imperative tomorrow morning.

And that leads me to the conclusion that we are on a road to failure the way we're doing things, because every committee is interested in what they can do.

Mr. Governor, my friend, you know what's going to happen.

The people in charge are not going to have enough time to do their work, because every committee up here is going to have them up here testifying -- What can we do for you? You're not going to have enough time to figure out what they ought to do for the area.

So I'm going to repeat here what I have a number of times: The president of the United States should appoint a lead person as coordinator and set up a coordinating office and do it quickly, with the consent of the governors and mayors, so it is run in deference to them, not contrary to them. The sooner the better, I repeat.

Now, Madam Chairman, I know that doesn't set well with some, because some think they should be doing that, and that's fine.

I wish the president could understand what I am saying, because I think he is not embarrassing himself by doing it. He is not admitting defeat by doing it. He's setting a management structure in place.

Last, how many Americans and how many senators know that there exists within Homeland Security a modeling institute called the National Infrastructure Simulation Analysis Center -- NISAC?

You do, Madam Chairman, perhaps you do. It is a center which has plugged into it -- senator, my good friend from New Jersey -- it has plugged into it already information whereby you can get out of it what the major disasters -- what areas in the country, what events in the country are going to bring the largest disasters.

They already predict which one is the worst, and I regret to say it is in your state. It is the earthquake of San Francisco, and it says if that happens, here's the damage.

Now, do you want to prepare for it, or do you want to wait until it happens, or is it too unlikely to happen that you shouldn't prepare for it? I don't know. But nobody has done that.

It said the second worst one, believe it or not, was this one. It was there. They modeled it out, and said this is what will happen. They have number three, they have number four. I believe they have the first 20.

Should we do something about that? I would say "You bet."

The president and somebody should say, "What are they? Are they accurate?" If they are, be honest.

I submit some of them you cannot prepare for, they are so big.

And I submit we're talking about who failed here, but I submit what really happened is that Mother Nature decided that we were going to get the most devastating storm that could ever hit America. And most of the damage we could not avoid.

We can go talk about who was one day late, 24 hours late, 36 hours late. But the truth of the matter is, it is so gigantic, and the aftermath of that event is so big, that one, two days, who planned which, who

didn't, is not going to solve the major problem, that the good Lord -- if you believe in God -- just put on this area something you could not fix.

It happened, and then you had to try to fix it. I hope the people don't think that one day, two days here or there would have avoided the devastation that exists -- and it couldn't have. And I hope that comes out too when whoever evaluates it.

I took too much time, but I really believe what I have said was not intended to say anything about this committee. I think you've done a terrific job, and you should have primary responsibility -- if Congress is going to do it, you should have prime responsibility.

I thank you for the time.

COLLINS: Thank you.

Senator Lautenberg?

LAUTENBERG: Thank you, Madam Chairman, for convening this hearing.

I have a longer statement, which I would ask unanimous consent to be included in the record.

COLLINS: Without objection.

LAUTENBERG: One of the things that strikes me is that as we watched events unfold there, the bravery and the courage of the people who served in the rescue missions.

The Coast Guard touched everybody's heart when you saw those baskets drop down virtually from the sky and pick people off the rooftops. It was an incredible feat of courage; the winds were blowing, the sea was stirring.

And it was repeated by other departments of government.

And one of the things that comes out as I review events is that this constant refrain that we hear about shrinking the size of government, getting it down to so small that we can drown it in the bathtub -- where would we have been without government's intervention in this, even though there's plenty of fault to go around?

And so I think we have to kind of rethink this philosophy that pervades our society -- and that's that government isn't evil. We don't do everything right, but we do a lot of things that are essential.

And I'm particularly pleased that we're going to have this review. I'm mindful of where we are when I look at a story in today's Washington Post, in which Tom Kean, respected former governor from the state of New Jersey -- and Pete Wilson, I know that you know Tom Kean, having served with him -- and by the way, Governor Wilson and I were in the class of '82, and it hardly seems that long ago, because neither of has aged in that period of time...

(LAUGHTER)

LAUTENBERG: ... but the fact of the matter is that unless we take the lessons from history -- it's been said by Santayana, the poet -- we're doomed to repeat them.

So we can't simply say, "Stop the blame game and let's turn to the future."

The fact is that unless we really understand what took place, then we're operating without full thought.

And Tom Kean issued a statement today in which he said that Congress has been delinquent -- not his words exactly -- but he said that -- you know, he headed the 9/11 panel, and we all in this committee, I think, think a pretty good job was done there.

He said that "the bungled response to Katrina laid bare how unprepared the nation remains for a catastrophic event, whether it's another terrorist strike or a natural disaster."

Senator Domenici said something that was absolutely right.

When something of this magnitude happens, you cannot prepare perfectly for all the eventualities. But we at least ought to have plans that don't include cronyism or preferred contractors or things of that nature, or people who don't have experience being assigned tasks that they never had any idea about how to handle.

And so while I commend the leadership of the committee for starting this debate -- it's obviously going to be a long, at times I think painful debate -- but we should not run, or hide anything that was there in the past, because those lessons, though painful, are critical to how we plan for the future.

Thank you very much.

COLLINS: Thank you.

Senator Coburn?

COBURN: Madam Chairman, thank you, and I apologize to our panelists on the Judiciary Committee, and have left that because of the importance of this, and will leave -- I have a statement I'd like introduced into the record if I may.

COLLINS: Without objection.

COBURN: I'd like to make two quick points.

I have a short-lived history of politics, but the one thing I appreciate on the leadership on this committee is the nonpartisan nature under which Senator Lieberman and Senator Collins conduct this committee.

And if there's anything that's hurting our country more, it's the divisiveness of the politicians that use that as a tool with which to make political gains rather than to solve the problems.

Senator Lautenberg mentioned laying the blame.

The problem isn't laying the blame; the problem is fixing the problem. What is the problem, and how do we fix it?

The blame will be evident in the facts rather than in pointing the fingers. And it's my hope that this committee can model, through its leadership, a behavior that examples to everybody else in Congress.

Number two, my friend Senator Voinovich yesterday -- in our steering committee, or our caucus -- made the point that we have a committee to look at Homeland Security and FEMA. It's this one.

I don't believe we need another committee. I trust the members of this committee to do an open, honest, frank appraisal of what went wrong, how we fix it, how do we make the adjustments.

The third point I would make is what history teaches us about sacrifice.

Franklin Roosevelt expanded federal authority to a great deal and power in the face of the Great Depression.

But what everybody else doesn't realize, that during World War II he cut discretionary spending by 20 percent. What everybody else doesn't realize is that President Truman cut it 28 percent during the Korean War.

We're in the midst of a war. We have the biggest national tragedy that we've ever faced in our country.

I just got an e-mail. Montana -- the state of Montana has offered to return all federal earmarks to the federal government in the face of the tragedies and financial difficulties we face ourself in.

They're leading by example. We need to do that.

The American people have already done it in the opening of their hearts and how they've responded to this tragedy.

It behooves us to live up, as members of Congress, to the examples set before us by the common citizens of our country. And if we can't do that, and if this is nothing but a partisan battle to fix this problem, then I believe the country needs a new set of leaders, leaders that can look past partisanship to solve the very grave, difficult and real problems that we face.

And as I said on the floor, and I'll finish -- we have two national tragedies. This one, that occurred along the Gulf Coast, but the financial tragedy that is in front of us as a nation that will impact the way of life and the opportunity for the generations that follow us.

We can do no less than to leave them the same heritage that was left for us, which is one of sacrifice to create opportunity for the future.

I thank you, Madam Chairman.

COLLINS: Thank you.

Senator Carper?

CARPER: Thank you, Madam Chair.

To our witnesses, welcome today.

It's especially good to be able to welcome former governor and colleague, Pete Wilson.

Thank you so much for joining us, and to our other witnesses, welcome. Good to see you all.

Mayor, nice of you to come.

Hurricane Katrina was in all likelihood the worst natural disaster that I've ever witnessed, and that may be true for others here today as well.

Hundreds -- some say thousands -- have died. We've got a lot of people who are homeless, as we know. Large swathes of the states of Alabama, Mississippi, Louisiana, are in ruins, and parts of the city of New Orleans, I guess, today is still under water.

Having said all that, I've been inspired by the outpouring of support and compassion from individuals all over the country.

At the same time, like many Americans, I've been shocked and outraged by at least some aspects of our response to the storm.

During my eight years as governor -- some of which I shared with Pete, and others with Governor Voinovich -- but during my eight years as governor of Delaware, my state lived through a number of weather emergencies, everything from ice storms to blizzards to floods to hurricanes.

In fact, one wag suggested at the end of my time as governor, he said -- "You know, were you the governor when we had the snow storm of the century?" I said "Yes."

He said, "Were you the governor when we had the ice storm of the century?" I said "Yes."

He said, "Were you the governor when we had the flood of the century?" I said "Yes."

He said, "Were you the governor when we had the hurricane of the century?" I said "Yes."

He said, "Do you know what I think?" I said "No."

He said, "I think you're bad luck."

(LAUGHTER)

Whether I'm bad luck or not, we worked through all that stuff, and I don't know -- we certainly never suffered anything as tragic as what they're going through on the Gulf Coast.

But whenever we needed help from FEMA on my watch, we got it. They came early and they stayed late. They worked hard. They sent real good people, and they were wonderful partners with all of us, and our first responders and our Guard, and local folks back in Delaware.

And I think it's pretty clear to anyone with access to their televisions over the last couple of weeks that, that kind of response, at least in the days immediately after Katrina struck the Gulf Coast, was not the same.

There was a lot of talk recently about the blame game. I think I just heard Tom Coburn mentioning it, and I'm sure others did in their statements.

I think instead of pointing fingers it's time for our nation's leaders -- and that certainly includes us -- starting right here with our committee, my colleagues should start playing what I call the responsibility game, the accountability game. Got to figure out what we did right, what we did wrong and what we

need to do to make sure that we're better prepared to respond to the next disaster, be it a hurricane, be an earthquake or some kind of terrorist attack.

It was Abraham Lincoln who once said, "The role of government is to do for the people what the people cannot reasonably do for themselves."

And four years after September 11, however, it's clear to me that we still don't have our act together when it comes to responding to national emergencies.

And at a time when Americans still live under the threat of a terrorist attack, we must do better, and we can.

That's why I hope this committee will continue the work we've begun with the creation of the Department of Homeland Security and the reorganization of our intelligence community by examining and addressing the failures at all levels of government that have contributed to the disaster in the Gulf Coast region.

And because we still have people on the ground in the Gulf Coast and in emergency shelters across the country in desperate need of assistance in the aftermath of Katrina, we need to learn more about what needs to be done in the coming days and weeks and months and maybe even years to help those communities affected by Katrina to recover as best as they can.

And I'm pleased we have before us this panel today, which fortunately and unfortunately has considerable amount of experience in recovering from natural disasters to help us guide the way.

Again, we thank you, and we look forward to your testimony.

Thank you, Madam Chair.

COLLINS: Thank you.

Senator Chafee?

CHAFEE: (OFF-MIKE) for holding this hearing, and I look forward to the testimony of the distinguished panel.

Governor Wilson, in your testimony you say that California emerged from your fires, droughts, landslides and earthquakes stronger than before.

And, Mayor Owens, you say that Grand Forks has come back bigger, better and stronger than before the April '97 floods.

So I'm sure that's all our goal, to see the Gulf Coast come back stronger than before.

And I look forward to your testimony.

COLLINS: Thank you.

Senator Dayton?

DAYTON: Thank you, Madam Chairman.

It's now been over two weeks since the levees protecting New Orleans from the rains of Hurricane Katrina have failed and almost a week since the Senate majority leader announced that this committee would investigate those and other failures.

Since that time, the federal officials responsible for the administration's actions and inactions to the hurricane have been unwilling to appear before us in a public session. They pretend they're too busy 24 hours a day and seven days and nights a week to do so.

Madam Chairman, obviously none of us on this committee want to disrupt the disaster relief efforts in Louisiana or Mississippi. They're already disrupted enough without us. But those federal officials have enough time to appear on the Sunday talk shows, more often than not from here in Washington.

Eight days ago, 10 federal agency heads, all of them Cabinet secretaries, briefed senators for over an hour here in Washington behind closed doors. There was nothing that they said that could not and should not have been said in a public setting.

Six days ago, the heads of operations for FEMA and for the Coast Guard briefed members of this committee behind closed doors.

Today, we finally have our first public hearing on this greatest natural calamity ever to afflict our country, and responsible administration officials -- if that's not an oxymoron -- are still hiding behind closed doors.

Now, President Bush said yesterday that he wants to know what went right and what went wrong -- so do we; so do the American people.

However, as my mother taught me, actions speak louder than words.

And while the administration professes to want the answers to tough questions, they won't face those questions in public before us on this committee.

And while the Republican Senate leadership professes to want this committee to investigate the failures and the successes of the federal response to Hurricane Katrina, they won't permit us to do so in public.

Madam Chairman, I have the utmost respect for you and for the ranking member, and I know that you have done your utmost to begin the public inquiry which is this committee's responsibility.

But it is a responsibility which is ours -- as Senator Voinovich said -- which is ours under the Senate's organizing resolution, and it is not dependent upon the majority leaders' beneficence or the White House's concurrence.

I have the utmost respect for today's distinguished panel, outstanding public servants who answered this committee's call to share their previous experiences with us. None of them, however, hold positions of public responsibility for Hurricane Katrina.

And none of the people who hold positions of public responsibility for Hurricane Katrina are yet willing to appear before this committee -- and thus in public -- before the families and friends of those who lost their lives, before those who've lost their homes, their businesses, their jobs, their communities, or before the rest of America, who have the right, as we have the responsibility on this committee, to get answers about what happened, what did not happen and why.

And until those federal officials who are responsible appear in public before this committee, then anything else here today or otherwise -- I regret to say, Madam Chairman, but I must say -- anything else is part of the administration's cover up.

And any attempt to delay the public investigation of this committee into Hurricane Katrina is an obstruction of justice. Any attempt to bypass this committee by some select subcommittee as being proposed is unacceptable, and any acquiescence by this committee to their doing so would be unconscionable.

This is our responsibility; this is our authority, so let's get on with it.

Thank you, Madam Chair.

COLLINS: Senator Pryor?

PRYOR: Thank you, Madam Chair.

Let me first start by thanking the chairman and the ranking member for their leadership on this and a variety of other issues. And I do hope that this committee hearing we're having in this committee today is the first of many that we have on this subject.

For those of you who may be new to the committee out in the audience or watching at home even perhaps, Senator Collins and Lieberman have really led by example. It's kind of like what Senator Domenici said a few moments ago.

I've been working with them for three years, and time and time again, they've shown strong bipartisan and tested leadership. In fact, the intelligence rewrite that we did last year proves that this committee can be a very nonpolitical venue, and that we can do great things in this committee if we're allowed to do those.

So it's my belief that regardless of outside political pressure, it is this same committee that ought to pursue oversight responsibilities on the government's slow rescue and response effort in the aftermath of Hurricane Katrina.

If the Homeland Security and Government Affairs Committee for some reason is not allowed to do its job -- which I believe is correct under the Senate rules -- but if we're not allowed to do that, I think that the families of the Gulf Coast and the rest of the nation really have a right, and they really deserve to get a thorough review of the mistakes that occurred in a setting where politics will not play a role.

And I believe very adamantly that part of this investigation -- and legislation that may follow from that -- really should begin with looking at the chain of command and the bureaucratic breakdowns that we saw in the aftermath of Katrina.

And I think a lot of us look at some of the problems, and sometimes we forget to mention some of the bright spots. I think there were a lot of bright spots, most notably two that I want to mention -- well, three.

One is the Coast Guard.

I think the Coast Guard was absolutely excellent. By all accounts -- everything I've heard -- they've just

been fantastic.

Secondly is the National Guard. They really once again came to the rescue and the aid.

And also, just everyday citizens of this country have really been great. They've been very generous. They've just been amazing in how they've responded to this.

Back to Homeland Security and FEMA and other federal agencies -- when we set up the Department of Homeland Security, we were hoping for a smooth and immediate rescue and recovery when major national tragedies happen. That did not occur in the aftermath of Hurricane Katrina.

I must say I'm very concerned and very dismayed, given the government's response. And I think that it shows our failure to respond adequately really in the aftermath of Hurricane Katrina -- really shows a weakness in our emergency preparedness. And that weakness is of great concern to me and all my Senate colleagues, and also to all Americans.

So as we go through these hearings, I look forward to -- as my colleague from Ohio said -- getting down in the bowels of Homeland Security and FEMA, and really doing the nuts-and-bolts oversight work that the Senate should do and this committee should do.

And Madam Chair and Senator Lieberman, thank you very much for your leadership.

COLLINS: Thank you.

I want to thank our panel for having such patience in sitting through more than an hour of opening statements. I think it shows how much the members of this committee care about this important issue.

Unfortunately, as former Senator Wilson will appreciate, a vote has just been called. And what I'd like to propose to do is to briefly introduce this panel, then recess for about 12 minutes, and then we'll resume with your statements immediately upon our return from the vote.

We do have a very distinguished panel of witnesses.

Governor Pete Wilson has devoted more than 30 years to public service. During his first term as governor of California, he was confronted with an astonishing array of declared disasters.

I believe I read 22 declared disasters in your first term, one of which was the Northridge earthquake of 1994, which killed more than 50 people, displaced 22,000 people, and leveled numerous buildings and critical highways in the region. It also caused an estimated $44 billion worth of damage.

Following this tragedy, Governor Wilson directed state response efforts, for which he has been lauded. He truly -- having gone through all of those disasters -- is one of our nation's premier disaster and recovery experts.

Mayor Patricia Owens has served local government in Grand Forks, North Dakota for nearly 30 years. She was mayor when one of the worst floods in her region's history engulfed 80 percent of the city. She oversaw the evacuation of most of her 50,000 residents.

I was telling the mayor earlier that I was struck by the phrase that she used -- and it was a great example of communication -- when she advised people to bring their "pets, pills and pillows."

And I think we've seen in New Orleans that if that advice had been given to people, we would have had a better evacuation. I appreciate your coming up with that communications effort.

Mayor Owens then oversaw the recovery efforts in Grand Forks, including an extensive urban planning effort that led to the movement of homes and businesses away from the floodplain area.

So we look forward to hearing from you as well.

Mayor Marc Morial was mayor of New Orleans from 1994 to 2002. He is currently president of the National Urban League.

He's had many years of public service, and he brings to this hearing a special understanding and deep concern of the needs of Katrina's survivors. We look forward to hearing his advice on how we can best help the Gulf Coast recover.

Iain Logan is the operations liaison for the International Federation of the Red Cross and Red Crescent Society.

Mr. Logan was the chief coordinating officer for the International Federation on the ground for four months after the tsunami disaster killed an estimated 150,000 people and displaced more than a million more. He also played a similar role in responding to the devastating earthquake in Iran a year earlier. He has also worked on many other international disasters, including Hurricane Mitch, which caused suffering in seven Central American countries.

We're very pleased to have all of you here, and I thank you for your patience as we now take a brief recess.

(RECESS)

COLLINS: The committee will come to order.

Governor Wilson, again, we welcome you, and we're going to start with your testimony. Thank you.

WILSON: Thank you, Senator Collins. Thank you for convening this hearing.

I thank the members for attending.

In the interest of time, you have my prepared statement. Let me try to highlight some of the things that I think are of essential value.

Before I do, I would make this general statement.

As daunting as it seems, recovery from Katrina is not just possible, it's essential. It's essential to the well-being of the nation.

New Orleans and the rest of the Gulf are simply too important not to take that very strongly into account. And I think our job -- in both the public and the private sector -- must be basically to dispense with business as usual and procedures that will delay and impede recovery.

Instead, in both the public and the private sector, we must devise practical incentives to accelerate the return to health of this vital region.

And the good news is that it has been done in other places. It can and must be done in response to Katrina.

Now, specifically, as you pointed out, I had the doubtful (ph) experience, like the rest of this panel, of having more experience than we would like to have in this area. You mentioned 22 major natural disasters; that is true.

I will not make the statement about this disaster, Katrina, which I think dwarfs all others in American history.

I will not make the well-intended but perhaps unfortunate statement made by one of my predecessors as he was reviewing recessing flood damage in northern California. Former Governor Pat Brown said, "This is the worst disaster since my election."

(LAUGHTER)

I shared his concern, but in any case, we had many too many to choose from.

I'm going to leave to Mayor Owens the experience of dealing with floods.

We had floods in California.

We had one in January of '97 that she recalls. It resulted in eight deaths, evacuation of 120,000 people, relocation of 55,000 people to over 100 shelters, damage or destruction of 30,000 residences and 2,000 businesses; total damage estimate about $2 billion.

As serious as that was, it was by no means the worst of the things that we faced.

The largest, of course, as you pointed out, was the Northridge earthquake, which up until the time of Andrew, was the costliest disaster in U.S. history.

Let me point out some of the things that can be done that we did do trying to speed recovery.

We, first of all, had excellent response from FEMA.

We had it in the Bush administration, that of Bush 41. We had it in the Clinton administration.

Yes, there are always things that can be done better and faster, but the response was really very good and the coordination was excellent, some would say because we'd had so much practice working together with those 22 natural disasters.

But in the case of the Northridge quake, our first job was to make certain that people were safe. And then we went about slashing the red tape and trying to set aside rules that imposed delays to which there was no real purpose.

We had to take care of people who had no food, no homes, no jobs. And I underscore the "no jobs," because that's a very important consideration.

As with so many other disasters faced in my state and as with Katrina, the National Guard was our extraordinary first line of response, often supplementing the efforts of people who had as their official

duty a response. There were over 23,000 Guard members mobilized to protect public safety, to distribute food and water, set up tents as emergency shelters for thousands of victims.

By the way, in the case of a major quake, I think that it's common to find that people are unwilling to go into structures, because they're afraid of the aftershock. So we had that experience. The Red Cross, the Salvation Army had shelters that were not at capacity. But we used tents for people who simply could not bring themselves to go back in.

We recruited and deployed some 4,200 state workers to help out with processing claims of various kinds, working with federal disaster centers that we set up with FEMA. And in order to cut the long wait, we used these 4,200 state workers working in any number of areas where they could be helpful to recovery, outside their agencies and well outside their job descriptions.

In fact, we made the FEMA disaster assistance centers into a one- stop center for both federal and state and local assistance. We had people working side by side. We even had insurance agents in there handling claims.

We were trying to rebuild very quickly, and I do want to spend some time on that.

Someone mentioned -- I think Senator Levin -- interoperability of communications. Something that you may want to look at is the interoperability of equipment.

When we had the Oakland fire, the terrific coordination and cooperation that exists under long-existing mutual assistance pacts was frustrated by the fact that when fire departments from other parts of the state, other communities, came to help Oakland with a fire that consumed some 3,000 homes, they were frustrated to discover that their equipment would not fit the hydrants in Oakland.

When we were trying to cut red tape, we did it in a variety of ways.

We suspended -- and I should tell you, the key to all this was the existence in the state government code of emergency powers, explicit powers and explicit authority conferred upon the governor in time of emergency to suspend the operation not only of regulation, but statute -- and I did that with alacrity.

We suspended several trucking rules, some of which prohibited nighttime deliveries of food products.

We suspended overtime rules for those employers whose workers were having a terrible time getting to work with the bridges down on I-10, because they needed to have flexibility of schedule to come during normal and abnormal times.

We had my secretary of health and welfare armed with the ability to go to hospitals and to other structures that we needed to convert to hospitals on a temporary basis with whatever waivers were required for that purpose.

We waived fees to speed the reinstallation of mobile homes.

We expedited the permitting of reconstruction by waiving many of the procedural requirements, and put staff from state and local permitting agencies into a single location.

We waived the waiting period for unemployment benefits to get aid to those who needed it immediately.

We eliminated all the paperwork requirements for getting a portable classroom, and thereby made 230 units available through a simple phone call from districts in need.

We issued, I think importantly, bridge loans and loan guarantees from state resources to help small-business owners get back on their feet until the federal assistance, which took a time, could arrive.

So in these and many other areas, we dealt with the situation that it deserved. We decided that there was just no time for business as usual.

Most notable, I think, was the fact that when we were seeking to repair the freeway bridges -- the overpasses on I-10 that had been reduced to rubble in a matter of seconds -- we said to those contractors bidding on the repair work, "We want to know not only when you will finish the job and how much, but we want you to agree that you will submit to one more condition. The condition is very simply that for every day that you are late, in terms of your promised date of completion, you will incur a penalty of $200,000 per day. For every day that you are early, you will earn a bonus of $200,000 per day."

The winning bidder, I think, made more on the bonus than on the bid. We had been told initially that it would require two years and two months to restore those bridges -- an intolerable situation for an artery that was central -- the busiest freeway in the world -- and central to the functioning of our economy. It did not take two years and two months; it took 66 days.

The other thing that I would urge the committee to look at with specific regard to New Orleans and the levees -- I'm told, and I am not an engineer, that there is an engineering solution even in that alluvial soil without bedrock. It's very expensive.

It seems inevitable to me that we are going to have to do as public agencies what we've done in the past in all the other parts of the country to deal with flood damage. But in this instance, it seems to me that the private sector -- who may very well benefit from the rebuilding of New Orleans -- has an opportunity.

And what we ought to do is say we will share the burden and use something that many members of this committee are familiar with. There are former mayors and governors sitting there, most of whom are familiar with tax increment financing, the use of bonds for land assembly to redevelop blighted areas.

I don't think anyone can argue about the blight in New Orleans.

What I think we ought to do is extend that mechanism to include not just land assembly in the ruined sections of the city that will need to be rebuilt, but that we ought to include fronting the expensive costs of constructing these new super-levees by the use of that kind of tax increment bond.

Because as we rebuild in New Orleans, as new properties are added, it adds dramatically to the tax base, it builds that tax increment, and over time it will create the fund that is required to redeem those bonds.

It's a very simple, and I think ingenious idea that someone had for redevelopment of blighted areas many years ago. It's a proven technique. We should simply permit the funding to go to the construction of the levees and whatever else is necessary to secure the investment that otherwise I do not think will come.

If we are going to give potential investors the confidence to invest and to rebuild New Orleans, then it begins with their having confidence that the next time a category 4 storm approaches, that the levees will not go down.

There are other things that I could say.

Let me conclude simply by saying this -- I see I'm over my time -- again, I emphasize economic development as an essential requirement and something that has to have the earliest possible attention.

That's what was behind our rebuilding of the I-10, not just driver convenience. It was costing $600,000 per day, by a conservative estimate, in economic dislocation. The mayor of Los Angeles made it his priority.

Dick Riordan was bent upon bringing jobs to his community and to rebuilding confidence.

That kind of can-do attitude, I think, is essential, as well as the bipartisan or nonpartisan cooperation between all levels of government, and a sharing in the responsibility between the public and the private sectors.

Thank you.

COLLINS: Thank you very much, Governor, for your excellent testimony. I know all of us are going to have questions to follow up on it.

Mayor Owens?

OWENS: Madam Chairman, Ranking Member Lieberman, and members of the committee, I feel honored that you would ask me to be here today to testify on how we recovered and on how I feel that we as a nation can help the Gulf Coast with their comeback.

Grand Forks, North Dakota in 1997 experienced eight of the worst snowstorms it ever had. It was almost 100 inches of snow over about a five-month period. And we were very well prepared for a 49-foot flood.

By the time April 1 came, we were all exhausted from battling keeping the roads open and keeping the cities going, and so forth. So we were pretty run down. And April 1, we had a huge ice storm that stifled the whole state.

Then the next day, we had a 14-inch snowfall, and by Monday it was thawing and the ice jams were forming. We were in emergency mode, and that Wednesday I had a meeting just with some of the people who were in the lower areas of the city.

About 2,000 people appeared, and I had to stand up and say, "You need to evacuate, because we don't know what's coming." The Weather Service said 49 feet, and they had no other way of knowing, because it was coming so fast.

By the Friday, I was called back to the emergency center to evacuate the city. And I had gone home for just a couple hours to get some rest.

And I remember as a political figure, what you think is -- I had worked for the city for 33 years before I ran for mayor, and I started to think, "My goodness, they're looking at me here and I am going to have to evacuate 50,000 people." I mean, I knew every nook and cranny of that city, but this was just surreal.

So I turned around, and I saw the Coast Guard there, and I thought, "Yep, Grand Forks is flat. I know

this is serious."

So my mind went from one thing to another. And I know the elected people go through this, because it is. It's so unreal. And they said, "We have people on the levies, and they're starting to breach." And my first comment was get them out there and get the people evacuated. And we started evacuating in the middle of the night.

We sent people through the neighborhoods. The Coast Guard was there, the National Guard, our police and fire with bullhorns. We had our civil defense sirens, which was really a plus for an emergency for people to take note. And we got all 50,000 of those people out of the city prior to the waters inundating about 90 percent of our city. We even had to move our emergency center.

I think one of the main things was we had the FEMA people in about two weeks before with the representatives from Minnesota and North Dakota and led a delegation to show them what we had done and what we figured was going to happen. And across the river was a city of about 9,000 people, too. And the bridges were out.

And I did talk with the mayor of Winnipeg, Manitoba, Canada. And we decided our main goal was to tell them to take their pets, their pills and their pillows because we knew they were going to be gone for a while. Our first goal is take care of the people first. And I said, "We are going to save all lives at all costs." And I got on TV as a frontline figure because I think they trusted me since I had worked for government so long. And I needed to encourage people. The majority of them left.

We had to find a strategy to recover. We were out at the University of North Dakota. We had a huge group of people, thousands of people in a hangar at the Grand Forks Air Force Base. So we had to figure some strategy to, you know, keep in touch with these people. So I stayed on TV constantly so they'd be updated.

I think the two critical elements present during our response is establishing and maintaining emergency disaster information for the public and also as you're recovering. And it's never enough. I mean, no matter how much we did, it was still - you still get, you know, critical comments. It's because people are so busy they just can't watch everything or they don't have the communication. And then the interactive communication among the city, county, state and federal agencies is so important.

One of the things we decided to do is build for the future and do it better. As long as we were investing the money, we were going to do what was right for years to come, not just put what we had in place. One of the best things we had was non-partisan. We had our congressional delegation, the two senators and our congressmen were wonderful. They were right beside me. I mean, I followed them, and they followed me.

And our governor was there also. The governor was Republican. Our people in Washington were Democrats. They worked as a team, and they worked with us. And I still believe in emergencies you can have a plan. The best plan is not going to always address everything because we updated ours all the time because we had floods. That plan will never be something that you can follow to the top degree.

However, it will assist you. And I think there isn't a plan or a book written how to explain to take people through a disaster like the Gulf Coast went through. I mean, it's just tragic. I think the one thing that they had there with the first responders was that dealing with the human part of a disaster with the looting and the shootings and the things that were going on that endangered the lives of their people in their city but also the first responders -- that's very difficult to go into a city when that's happening.

And I believe the less finger-pointing that's done and the more we move ahead, the quicker those people are going to recover. We had places, too, that, you know, were not right and the mistakes we thought possibly were made. But we must moved on. And I made it a point that we just - we'll try to do it better and just move on and keep going.

I think one of the things that I did that worked really well was I put together a group of people with my - because I did not have all the technical abilities, even having worked for the city for so many years. I put a group of people together of my top department heads. It was my director of public works who would deal with the infrastructure and getting it back online and then our future flood protection, which I think is something you need to do right away or people will not come back to the city. The businesses will not want to come. The people won't want to come back. You've got to address that early on.

So we did address that. And we did get - they're almost completed with the $350 million levy system in Grand Forks. The next thing I did was put the next one, who was our community development director. We were fighting for in Washington a $500 million disaster aid bill. And we worked very hard with our senators and congressmen to get that. It finally went through, and we were allotted $171 million of that to come jumpstart recovery in our city.

We needed accountability on that money. And I put my city auditor in place for accountability on all the monies. That is one of the things where they will hit brick walls. Every bit of money you get you have to have accountability. And there's always conflict over how it is distributed and what you do with it.

I am still - I mean, Grand Forks recovered well, but we recovered well because everyone worked together from -- I think government with the city starts right at the local level and goes up to state and federal. And we were a team. We worked together from the very beginning. We had a one-stop shop again. Our city hall was gone, so we were even in that one-stop shop where they had the FEMA headquarters. And all the agencies were there.

We met daily for three and-a-half years in the mornings. And at the beginning, it was all the emergency response people. We met maybe two times a day so we could touch base to see where the critical needs were. And the critical needs, of course, were getting people back into their - you know, some type of housing. And we did build 200 homes, congressional homes, with the monies that we got from HUD and filled them with incentives for people to locate back in an area that was dry.

We had to move back from the river quite a ways. So we had the buyout program. And I'm sure the buyout program is going to cause a lot of conflict also. That is a difficult thing to do. There are those that'll do it voluntarily. And there are those that will not want to do it.

I guess, you know, one thing when you are an elected official during a disaster - I don't think anybody can imagine. We can imagine what the people go through. We're there suffering with them. But I don't think anybody can imagine what the elected people are going through. It is exhausting. It's a daily - I mean, you have no rest for the whole time that you're working during your term. It's just totally exhausting.

You're inundated, and you have to be very strong to get through it because you will take criticism. But, like I said, the first thing was we took care of the people. We got housing. We got trailers in there. We addressed the jobs. I appointed a group of citizen people so that - and broke them off into about 13 different areas. The local bankers worked with some of the citizens to get the jobs online.

We had money and checks coming in in my name, so we had to form some type of a bank set aside through the bank. I believe we did it through the Bank of North Dakota and had a small group so they could - people could submit applications. What we did with that money mostly was started daycares because once you were getting your jobs up, you had no daycares.

Another thing that I think when you have a disaster - the first thing I did was closed all the bars. We had a dry town. The psychological effects are horrible because people are tired. And they are exhausted. They turn to alcohol, drugs. There is more abuse. There's suicides. That is a huge, huge issue that has to be addressed. The children need help, too, with that type of thing very, very much.

Right now I could talk for hours on what we went through and the good things that we could do. I am an employee of FEMA, by the way. I was hired on by FEMA as an ambassador of hope and a consultant with region eight after my term was ended. And I did go several times with FEMA to the disaster areas when I was mayor. Congresswoman Eva Clayton had invited me to North Carolina, so I went there and joined in at Raleigh. And went to like Rocky Mount and Princeville and Greenville and did - what my job was to inspire people and give them hope. And that's what I tried to do in my city because I did have my technical people to work.

And our people in Washington were wonderful. I lobbied for months. I felt like I lived here most of the time. But they were wonderful. We just had to present our story, and we did get the help we needed as the monies were available.

The examples of what happened to people, elected people - because I know they're going to - I mean, most of the time you're voted out of office, which I was, too. I had won by 77 percent for the vote. I lost by 300 votes. And most of the time what happens to elected people is - and James Lee Witt had warned me of this.

There was a North Carolina mayor after I gave a talk in North Carolina that came up to me. He had tears running down his face. And I thought - what I do best is inspire people. I inspire them that they can do it. There's nothing that you can't accomplish if you work together and just keep going and have faith in God, too, and faith in yourself and the people around you. And that's what I kept saying, "Keep the faith."

But this mayor came up to me and he said, "You know, Mayor, I lost my election, too." And he said, "The reason," - I said what was the reason for yours. He said, "You know, after the flooding of Grand Forks and East Grand Forks, Minnesota, I sent a truckload of goods. And that was what they used against me, was my inability to help here. But I sent goods to a community that was hurting."

I told him, I said you know what? You will have a special place there. And you did your job. And I said, "That's remarkable." And I said, "You just keep your head high. You did what was needed at the time." And I said, "That's the only way you can be a good politician."

It's a personal strain. You have to be strong to do the regulations that need to be done. We put regulations aside for building also so that people could come forth. We had to deal with the gouging, contractors coming in that were not legitimate. Our city attorney - you need a city attorney that doesn't budget. You need a strong city attorney working with the attorney general.

They have to be the top-notch person. And that man was by my side. And I do have to say one day about three days after it started, I knew he'd be one of my top people. And we disagreed on something. So I very politely just leaned over the desk and took him by the tie. And I'm small. And I said, "We have to work together for three and-a- half years to get this going." I don't think we ever had another

word after that.

Anyhow, I think one of the things that the Gulf Coast has is it has wonderful people working in a non-partisan manner. And there's nothing more enlightening to me as a person that lives in the United States to see people come together to help the people that are hurting. And I personally know from experience - I have the greatest confidence that this group is going to work to bring New Orleans back. And it will be bigger, better, stronger. And the people there need to know that, too.

We can't point fingers. We need to move on. We can do things better. We can go back and see the challenges that they had in getting people out. I've also had the experience of two of the hurricanes in Florida because I'm retired and living in Florida now. And I know what just the tail-end of them can do.

And I think of what happened there. So I've had flooding. I've been involved - in fact, FEMA called me to go to work the hurricanes again, but I can't because of health reasons. They called me last year. And before I had my suitcase packed I couldn't even go because the next hurricane was there. So I was struggling with my own family to keep things upright.

And again, I just say all you have to do is keep the faith. You can do it. And bad things happen. And we don't know for what reason. We had a bad flood. They had a catastrophic event. And we all need to be there for them as everybody was there for us.

COLLINS: Thank you for your excellent testimony.

Mayor Morial, we're pleased to have you here, too.

MORIAL: Thank you very much, Madam Chair, Senator Lieberman and members of the committee. I want to thank all of you for giving us a chance to come down here and talk to you today. I am here as the president of the National Urban League but also very importantly, as a former mayor of New Orleans and one who loves New Orleans, its people, its culture, its history, its very essence.

So I come here shocked and angry. And this is how I've felt over the last several weeks: hurt, betrayed, befuddled and bewildered. But I come today to say now is the time for competence and compassion. And the nation, the voluntary agencies, the people of this nation have expressed a great deal of compassion and generosity for the people who are victims and survivors of Katrina who are from New Orleans and all over.

I want to remind everyone Southeastern Louisiana, Southern Mississippi, parts of Southern Alabama. And come today to also say that I agree that it is not the time for gamesmanship, salesmanship or brinksmanship. But it is time to thoughtfully - as this committee in all of its opening statements has suggested - thoughtfully plan about what the best next steps are. So I want to lay out for you some of my thinking about next steps under the umbrella of what I call the Katrina Victims Bill of Rights.

Because in all of this, in this tragedy, the most important thing is that we have 1 million displaced Americans, internally displaced Americans. They're not refugees. They're our own citizens. They are our neighbors. They are our voters. They are your constituents. They are, if you will, they are black. They are white. They are Hispanic. They are Asian. They are rich. They are middle class. They are working class, and they are poor.

And while the poorest of poor suffered the most - and their candid images is what we saw - Katrina was an equally opportunity destroyer that effected the lives in a dramatic way of so many Americans. So I believe as we think about this we should look at how this nation responded, how this Congress

responded, how the president responded in the aftermath of 9-11 as the standard, the gold standard, if you will, to help guide our thinking and our discussion.

This is why I believe that this Congress should create a victims compensation fund. In the aftermath of 9-11, within two weeks after that tragic event, the Congress created a victims compensation fund, which in the end paid out some $7 billion to many, many thousands of victims, those who were survivors of those who were killed, those who were injured, those who suffered economic losses. That compensation fund functioned in an orderly and appropriate way and gave due respect to the fact that people's lives were significantly disrupted by that tragedy.

Second, I believe that in this, as I visited Houston and as I fielded calls from all over the country, as our affiliate offices have received scores of people coming in looking for help, people have been dislodged from their job. They've been dislodged from their businesses. They've been dislodged from their bank accounts. They've been dislodged from the social structures and clubs and organizations that are a part of their quality of life.

But most importantly, they've been dislodged from their jobs. So I believe that Congress must look very carefully at an appropriate way to provide unemployment assistance to every worker for an appropriate extended period because if not, it'll be in Houston and Dallas, in Austin, in Little Rock, in Memphis, in Washington, in Boston, in all of the communities where displaced Americans have gone that will have to bear the burden of people in those communities with no money, with no job, with no house, with nowhere to go. It'll be local and state government that will have to bear that very significant burden.

So Congress as it thinks going forward I would urge should think about an appropriate way to give unemployment assistance and assistance to people in connecting to new jobs, assistance to people in connecting with both temporary and permanent housing. The hard, painful reality is that no one can say with any degree of accuracy when it is that people will be able to return to New Orleans or to St. Bernard Parish or Plaquemine's Parish or Slidell or Gulfport, Biloxi, Waveland or Bay St. Louis. No one can say with any accuracy - and our leaders should not hold out false hope until the rescue and recovery efforts have had an opportunity to quickly, I hope, move forward.

Third, the displaced citizens who are now in all of these communities displaced by Hurricane Katrina must continue to have full voting rights in their states. And this is not meant to politicize the discussion, but meant to say that they must have a voice in the rebuilding in the communities from which they have been displaced. And in this regard, the idea of 1 million displaced Americans - we are in unchartered territory, at least certainly in the last 100 years.

But this is an area that I hope Congress will give some attention to. When it comes to the rebuilding, certainly the federal government must commit to a Gulf-wide rebuilding effort that meaningfully includes the residents of the Gulf Coast region, but also challenges us to put together an unprecedented and comprehensive public/private, federal, state and local coalition to orchestrate, to design, to plan this rebuilding. If not, partisanship, regional conflict, class and racial conflict will dominate this rebuilding process.

As various people begin to articulate their singular vision for the rebuilding, there must be a collective vision. New Orleans is not a gated community. New Orleans' essence is as a diverse, multi- cultural, a place that's given the world and the nation great music and food and great people.

So I believe that that Gulf-wide rebuilding effort is going to require the hands on involvement of many, but require a broad coalition, a broad partnership to think about all of the suggestions that have been made about red tape and tax increment financing and all of these very important ideas. But this is

unprecedented. We have never had to rebuild an entire city or an entire region.

Also, I would add - and Senator Domenici suggested this, and there have been some other suggestions that rebuilding has to be a building for the future that respects the history. And somehow in this perhaps there needs to be a czar, a super-secretary, a coordinator, some person with direct access to the president that has credibility with all of you and the public at large, a single point where the buck will stop to coordinate the rebuilding of the lives of the people and also the rebuilding of the Gulf Coast region.

Finally, I would suggest this. I think, yes, it is certainly appropriate that Congress conduct its own investigation of what happened because that's your job and that's your responsibility. But I do think that the 9-11 experience demonstrated that there is a role for an independent commission. This issue of disaster preparedness and disaster response, I think as all of us up here learned or know, is tough, sophisticated science, tough and sophisticated science.

And the best minds and experts need to be utilized in looking at what went right, what went wrong and how to improve it fast, quick and in a hurry. I suggest that due consideration be given to some sort of independent 9-11 style commission to look in conjunction with the appropriate investigatory activities of this committee, the House and the Congress.

Finally, FEMA has come under great fire. I had an opportunity when I was mayor to work with James Lee Witt, and the relationship and the experience was positive. But it seems to me at the very, very least that one of the things that Congress can do is look at riding into the FEMA authorizing statue the minimal qualifications for the director and the top level officials.

Disaster response and preparedness is a science. It's a profession. It's professional. It is not something that simply because someone is smart, a good manager, a good communicator can do. It requires experience. It requires training. And the top federal official ought to at least meet some minimum standards with respect to disaster preparedness and response.

As I close, I want to say that I had the opportunity to visit Houston, the Astrodome and the George Brown Convention Center and the Reliant Arena with former Presidents Clinton and Bush, with the governor, the mayor, with the county executive down in Texas. What Houston has done is remarkable.

The generosity, the arms, the attitude, the cooperation is a model for the nation. It's uncomfortable for people to live on a cot sharing a bedroom with 10,000 people. But Houston has done an excellent job. I think it bears a look by all communities in this nation. Because what they simply did when the need was there was to pull the trigger on their own emergency response plan. And I think their generosity reflects the attitude and the spirit of so many Americans. And I thank them for that.

And my final word is what is needed: for this committee and for the Congress to be an advocate for the survivors and the victims. That is what is needed. I fear that when this story drifts from being a lead story on the evening news, from the front page in the national press that the people are going to be forgotten. This situation needs public advocacy. It needs the Congress of the United States to be victims.

What happened to New Orleans and the Gulf Coast could happen to San Francisco. It could happen to Miami or Charleston or Coastal North Carolina. It could happen to Houston. It could happen to San Diego or Los Angeles.

And while -- as I grew up in New Orleans and as I served as mayor, people said this is what happened -

this is what will happen when the big one comes. One of the reasons why many people may not have evacuated is there were those who couldn't, and there were those who said that chicken little is saying the sky is going to fall in one more time. And I've heard this for so long.

This unprecedented event, this epic Biblical event that has displaced so many of our citizens and shocked our conscience could happen to another community again. Thank you.

COLLINS: Thank you, Mayor, for your very thoughtful testimony.

Mr. Logan? Thank you.

LOGAN: Madam Chairman, Mr. Lieberman, I have a testimony which I'd like to ask to be included in the documented record.

COLLINS: Without objection.

LOGAN: I'll make a short statement and then highlight a few points in my testimony that would perhaps emulate some questions. The International Federation of the Red Cross and Red Crescent Societies first of all would like to thank the committee for the opportunity to give testimony at this hearing. More importantly, on behalf of the president and the secretary general of our institution, we would like to convey on behalf of the 181 Red Cross, Red Crescent Societies (inaudible) around the world our condolences and our thoughts for the people of the United States, but more specifically, for those that are affected in the South.

The Red Cross and the Red Crescent movement represents a collective humanitarian force. It's dedicated to assisting people in the recovery for those impacted by both natural and manmade disasters by mobilizing the power of humanity, which is our mission statement. Unfortunately, we're only too familiar with the scenes that we have seen in the last few weeks: the Indian Ocean tsunami, the earthquakes in Bam and Gujarat, Hurricane Ivan, so many more.

Although members of the Red Cross and Red Crescent movement share a common mission, the mission of each disaster can vary depending on the economic situation of the government and the agency that are responding, the over-arching needs of the public and the capacity of the national society of that country. The United States, my colleagues behind me from the American Red Cross, focused their disaster relief on meeting people's immediate and emergency disaster needs.

And today the American Red Cross faces the largest relief operation in its history. And it is both an honor and indeed a duty that 156 Red Cross people from 18 national societies around the world, including myself, have been asked by the American Red Cross to support them in that enormous task.

But as the waters of the flood recede, there is a need to rebuild lives, property and above all, hope. And it's with that challenge in mind that we would like to share with you some of the experiences that we have had from an international context. Because as I have been listening to my colleagues here, it is very clear that there are some over-arching issues which transcend boundaries. Humanitarian actors may be greater in number and the economies in which they work stronger, but the principles of a sustainable recovery remain the same wherever it is.

What's next is the question that you're asking us right now. There is a feeling amongst the public, amongst some governments that a disaster is an event. It's on the TV. For those of us that work in this business, it is not an event. It's a part of a continuum. And the ability to be able to deal with it has got to do with awareness of the full continuum, the preparation, the mitigation, the response, the planning that

goes afterward. Because sure as this one came, there will be another.

So recovery for us around the world starts during the response. We learned during the tsunami that within weeks of the response we had to start to evaluate what were going to be the recovery strategies from some 11 different countries with very, very different types of economies and populations.

For the Red Cross movement, a major part of that recovery is based on the fact that we are a volunteer organization. Those volunteers that you see from the American Red Cross and other agencies are critical, not only in the response phase, but in the recovery for many months later on.

It will require the participation of many different kinds of actors. And it really doesn't matter. And my observation is that whether you're a farmer in Ethiopia following a drought, a fisherman in Sri Lanka, a waiter in New Orleans or a doctor in Iran, the most critical thing is that people need to get up and feel that there is hope. They have to go back to their livelihoods. They have to start working.

It never ceases to amaze me that following the most disastrous of events the spirit of the human being to stand up and start to do something. You see it daily. Equally while there will always be those who are paralyzed with shock, your recovery has to take account to mobilize the strength of those who have the resilience and to be ready to support those who are so traumatized that they need additional help.

There also is spontaneous recovery. From the very beginning, there will be organizations, institutions, individual towns and villages who will automatically start to take care of themselves. This cannot be held back. It needs to be built into the planning. People wish to take charge of their own lives.

Recovery has to be inclusive. I've recently moved to New York City. And I am amazed listening to the debate on the reconstruction of the World Trade Center. It could be absolutely duplicated from some of the comments that I heard in the city of Bam in terms of the citizens there are 2,500 year old World Heritage site who demanded, in spite of the fact that their government is very different from here, that they be a part of how that city would be rebuilt. At that moment in time, those people are exactly the same.

Recovery must be sustainable. The community in which we work very dramatically - it is absolutely unacceptable that following a huge disaster such as the tsunami that we would stand back and allow a recovery that would not improve the lives of the people that have been affected, that, in fact, if you reinforce the very risks that they were facing.

There is enormous pressure at this moment in time to do something and do something quick. And very clearly, you have to start to do something. In a disaster, decisions may be flawed, and you can fix them. No decision and inertia is the worst thing that could happen.

At the same time, you have to think about the planning. In the tsunami, there is some criticism that we're not doing enough, we're not doing it quick enough. But in Sri Lanka and in Indonesia and in the Maldives, they recognize that there is an opportunity to build back better. And that requires greater thought. Greater thought may take more time, but in the long run, that extra time may be valuable.

How do you balance those two needs, to move or to think? Very clearly, we have examples around the world, in Turkey, in Gujarat that many of the casualties may well have been as a result of standards in building construction that had not been monitored. Yet again, the person that I remember talking to in Papua, New Guinea had no desire to be provided with a modern house. They wanted a home that was traditional for them. And our challenge was how do you build a better home of that kind.

I've seen people who have been relocated from New Orleans who have ended up in Alaska. Some of them will stay. This will be a huge new opportunity for them. But since I'm a Canadian, when winter comes, they may wish to go back to New Orleans.

Some of them would rather go back, as we so found in Venezuela, when they were offered opportunities of going to new farms (inaudible) valley, that they would rather come back and live on the very dangerous slopes that they had left just before. How do you plan to meet both those eventualities?

Finally, a few words on coordination. It's a culture. It's not something that you talk about today and forget about tomorrow. It must be built into not only your responding authorities, but to the very communities themselves. The International Red Cross, for example, every year since Mitch, which was not our greatest moment, we run a workshop in which our American Red Cross, the British Red Cross, OFDA (ph), the U.N., the European Union all come together every year to remind ourselves what are we actually doing there.

We track these hurricanes. Hurricanes -- we know they're coming. We don't know the direct route they may go. We don't know what force they will end up. But we can predict with great accuracy the number of hurricanes we will have every year in the Caribbean. It will be humanitarian malpractice not to take that into account and to make plans that build up a culture of preparedness and awareness.

Finally, relocating displaced populations - a very, very sensitive task in which the voice of the people must be listened to. Forced resettlement is not acceptable in any country anywhere in the world. Finally, a few comments from our special representative who is now working with former President Clinton, who is doing exactly the same thing in terms of recovery.

Whether Katrina was the United States tsunami is debatable. What is true for both and is in most disasters the endless grief of those who lost loved ones, the courage of the rescue and relief workers and the selfless generosity of strangers who opened their doors and gave of themselves. All of those devastated, be they Iraqi, Indonesian, American have the same need for dignity, community and privacy and above all, the belief that a better life awaits them and that you will be with them in the long-term.

When I left Banda Aceh after the tsunami, a young Indonesian teacher said to me, "Don't say goodbye. If we thought you weren't coming back, we could never let you go." And it was only afterwards when I realized that she was quoting Winnie the Pooh. We live in a small world. We live in a small world. Thank you.

COLLINS: Thank you, Mr. Logan, for your exceptionally moving testimony.

I'd like to start by asking each of you a general question. Now that the initial rescue stage is largely complete, we face an enormous task. We have some 90,000 square miles that were affected by this hurricane. We had 450,000 families that are going to be in need of long-term shelter. We have considerable unemployment, businesses that are shut down.

We obviously have an overwhelming number of needs that we need to meet. If you were giving advice to the emergency management officials, whether it's federal, state or local level, what should be the top priority right now? What would it be? What should we be doing right now? We'll start with Governor Wilson.

WILSON: Senator, I think - is this on. Yes. I think that an interesting focal point would be the comment that several members of the panel have picked up on made by Senator Domenici where he said that it is

necessary to have one person who is given the responsibility and the authority to make decisions when we're talking about recovery and the urgency of that need.

That, I think, is at the federal level and at the state level the most important thing. If I could leave the committee with one abiding thought, it's one that relates to federal responsibility, but really to the state responsibility that I had. And I do not know whether Governor Blanco, Governor Barbour, Governor Riley have the same authority that I had that was conferred upon me and other California governors by the state government code. If not, they should not hesitate for a moment to demand it from their legislatures. If they don't have it, they should convene a special session of the legislature to get it.

But they really need the authority to do the kinds of things that we have been discussing this morning, to grant the waivers, which in the normal course of business may make great, good sense and safeguards of one kind or another, but which in the urgency of recovery requires someone who is invested with authority commensurate with his or her good common sense to get rid of requirements that simply waste time.

And time, as you've heard from all the panelists, if of the essence. When they're talking about rebuilding infrastructure, when you're talking about rebuilding an economy, there has to be the kind of authority that allows you to do what I was able to do. Those governors should have it. Someone at the federal level should have it. And, as was pointed out, when you're talking about federal agencies, you're talking about a multiplicity of agencies each with different enabling legislation, each with different regulatory requirements derivative from their enabling legislation.

This committee would do well, I think, to make it its responsibility to look at all of those different agencies, all of those different enabling acts and regulations and give someone the authority to waive them in time of crisis, which is what you're facing, not only after Katrina, but after every major natural disaster. I think Mr. Logan's comment was poignant and prophetic tragically that we know that there is going to be a next one.

COLLINS: Thank you.

Mayor Owens?

OWENS: Hey, I agree 100 percent with Mr. Wilson that there needs to be one point in whatever you do so that it doesn't tie it up. Because they need to be able to move through. They can't be tied up in the politics or rhetoric of what's happening.

Another thing that I know that they're going to be faced with, from experience, is they are going to have to clean up that area. We had so many deaths and so many people who had illnesses afterward from respiratory diseases. There were every kind you could imagine.

Before, you know, people move back in there, they really need to make sure that they've got that cleaned so that they don't - you know, they can avoid other possibilities of people dying from the aftereffects of the - because it's contaminated. And that was serious in our city.

COLLINS: Thank you.

Mayor Morial?

MORIAL: Thank you very much. I'll echo the idea of a czar or a coordinator. But I want to really emphasize in terms of next most immediate steps is to focus on the displaced people. If the energy

becomes let's orchestrate the rebuilding, which could, in fact, take time, then the unemployment, social, educational problems, sense of alienation and abandonment of people who are displaced will, in fact, be accelerated and exacerbated.

That means - and I would say that the disaster response system that has been typical in the United States that I'm familiar with contemplates that people would be displaced for a limited period of time, be able to go back to their homes. Or if there was any permanent displacement or long-term displacement, it would be a few people or small number.

Here we have a large number of people. So are the systems in place? Are the resources in place? Is the coordination in place for those displaced citizens. That would be the number one priority.

Secondly, with respect to rebuilding, there needs to be either placed under a czar, a commission of prominent citizens, a task force, a group the ability to be able to get the alignment correct. As the mayor said, to clean up and deal with environmental and health hazards first before the town is opened.

Number two, to coordinate with the state's role, the fed's role, the state's money, the fed's money, the city's role, the city's money is going to be in this massive rebuilding effort. It's not we're going to have a situation. And New York has struggled with breaking ground on the rebuilding of two buildings four years later. Great plans, a lot of discussion, but still controversy on what is going to be at the site of the World Trade Center.

Here we have an entire set of communities. So I would offer those thoughts, but to put people and their needs first as the most immediate objective.

COLLINS: Thank you.

Mr. Logan?

LOGAN: I think in terms of my observations for the United States and the role that the Red Cross would have on that, the American Red Cross and the people that you would need to talk to about in terms of their very specific activities and recommendations. However, it is very clear and I would concur that the question of the continuation of a coordination mechanism based on the relationships and the successes - because there will be and you have already identified successes in coordination. That coordination has to look to the long-term. And it can't be a separate series of processes. They have to link to the very foundation.

The fact that you have got such a widely dispersed population, as Mr. Morial has said, means that you are going to have to throw that net very, very wide. And that means there must be a common message into which people can buy into.

That population that have been displaced who will come back has to feel that there is a clear, clear motivation for them to return, that things will be better. And building better, of course, is not just simply building a better school. It's building more hope.

And the amazing thing - and I think the opportunity for that coordination is that in the worst disasters that I have been involved in it has, in fact, broken the cycle of poverty. It has given people opportunities. And I think that linking all of those social elements along with the very, very dry but essential elements of the technical rebuilding is critical and the more successful initiatives that I've seen on recovery.

COLLINS: Thank you.

Senator Lieberman?

LIEBERMAN: Thank you, Madam Chairman.

Thanks to this panel. You've been extraordinarily helpful, I must say, both programmatically and, if I can put it this way, therapeutically. I think programmatically you've given us a series of recommendations from your own considerable experience that, Madam Chairman, we may want to consider passing on to the appropriate administrative agencies of our government or even insofar as it's relevant, turning into legislation.

And I say therapeutically because the end point of all that you've had to say based on your experience and your attitude is hopeful that not only can you rebuild from a disaster, you can rebuild - what was your phrase, Mayor - bigger, better, stronger.

OWENS: Bigger, better, stronger.

LIEBERMAN: Yes. I like it. So I thank you for that.

I want to pick up on Senator Collins' question and the answer that Governor Wilson, you gave, and others did, too, which is about the need for a new structure here. We also saw that one of the problems apparently - and we'll know it better when we proceed with our investigation in the preparation and response to the Hurricane Katrina was some troubles in their relationship between the different levels of our government. It seems to me that as we begin to contemplate not just the recovery, but the rebuilding, which will be the largest rebuilding in our nation's history, we've got also to think about three levels of government and how we put them together.

And I take it that the recommendation - because under the existing national response plan, FEMA gets the responsibility to oversee rebuilding and recovery from the federal government point of view. I think we're all saying that something larger is necessary here. And I wonder if you have any ideas of how we can do that, about how we can put the three levels of government together. Some have recommended a public authority, a kind of private/public new entity that will oversee the reconstruction of the communities that have been devastated.

Governor Wilson, you're a great place to start because you have had experience at the local, state and federal levels of our government.

WILSON: Senator Lieberman, I think the answer is that you need to coordinate all three, and you're not going to have the same solution each time. It does need to be tailor made. I think a fundamental principle is to allow the local initiative to have maximum exercise. There will be limits imposed by law, some imposed simply by circumstance. But I must tell you that I have great confidence in New Orleans.

I have a great affection for the city and a great admiration. I travel there frequently these days because I am privileged to serve as a trustee of the National D-Day Museum, which is located in New Orleans, in fact, has become the major tourist attraction there. It is in New Orleans because New Orleans acted after 50 years when no one else in the country did to recognize the responsibility to build that museum as a memorial to the most important event of the last century and to the people who teach succeeding generations of Americans that freedom is not free, that it has to be repurchased by the courage and the sacrifice of people willing to fight and die for it.

Congress - and I thank you for it - has officially recognized that contribution by recognizing the museum as America's official World War II museum. The people who built that - and it's still a building. And we have an ambitious campaign underway. The people who took the initiative are extraordinary. The business and civic leaders in Memorial City grabbed the ball when no one else had.

And I have confidence that their pride in their city and their determination to complete that task is the kind of thing that will allow New Orleans, given time and the adequate tools, one of which we have discussed today. And I put it at greater length than an op-ed in yesterday's Wall Street Journal. I think they can be expected to rebuild it bigger, better and stronger, to use Mayor Owens' phrase. And I think to the extent that you've got people who are self-starters like that, what you want to do is work at how you can enable them.

LIEBERMAN: Right.

WILSON: And I would say that the role for federal and state government is to be as great an enabler as possible to those at the local level.

LIEBERMAN: I share briefly a story with you I heard from a friend from New Orleans yesterday. But when order began to collapse in New Orleans, there was just a slight bit of looting that went on at the gift shop at the D-Day museum. But somebody there ran out and the National Guard came rapidly to take position around the museum to protect it. For all the present and past associations with it - my time is rapidly going. But I wonder if anybody else has a thought about the structure - the most obvious thing is to create a so-called czar. But is there a different kind of structure here that integrates the different levels of government?

Mayor Morial?

MORIAL: Yes, Senator Lieberman, your question is intriguing because it certainly provokes the thinking that you could have a super enterprise or empowerment zone that would be managed by some sort of special public authority or some sort of special public agency that would have representatives of both the state, the federal and the local government on it that would be sort of a coordinating conduit for the rebuilding that would be tailor made. Because the challenge for FEMA is FEMA has ongoing responsibilities for other disasters. Hurricane Ophelia is there.

LIEBERMAN: Right.

MORIAL: Snow emergencies and weather emergencies that arise during the winter, another hurricane season, tornadoes, all of the myriad of natural disasters. And this is critical. But they have got to also keep their eye on the continuing ball of other natural disasters, which is why your thinking that a specialized public authority might be a good idea. I think the most important thing is that it not be seen as some sort of federal usurpation.

LIEBERMAN: Correct.

MORIAL: That it be a partnership.

LIEBERMAN: (inaudible) Mayor Owens, do you want to add a work quickly?

OWENS: OK. You know, I agree with you. But like I think also I agree with you. Government starts at the local level. You have got to be that person that works with Washington. You've got to work with your state to get your governor onboard.

Now, FEMA in our case - and I know this applies because I went to Virginia for a week when they had the hurricanes two years ago to tame some tempers that were -- you know, people were under a lot of duress. And FEMA actually after their dispatch they are accountable to the state. The state tells them what they want. They tell them, they tell them how much ice they want to come in, what they should be doing.

So, you know, a lot of times I think people don't understand that the state also gives them the authority when they're there to do whatever they're going to do. And that's what they didn't understand in Virginia. And it worked a lot better when they started doing that.

To put an agency together, I think, is very simple because when you have a disaster, the first thing that you should do is get your local and your state and your federal right onboard. And this is just such extenuating circumstances. I just - I can't - I don't know in another case like this if it could be better or not. They get on the ground as quickly as they can, but yet, there's such a - they're small compared to the amount of disasters that are happening.

LIEBERMAN: Thank you for your answers. I must say it was a question I asked without having an answer to it. And I think we're all struggling for the right answer here. You were very helpful.

I do want to say real quickly that something that was said here earlier I've heard from a friend from New Orleans who's a business leader, that whatever else we do, that most important - and this fellow said a certain number of people will come back to New Orleans no matter what. A certain number of people won't come back no matter what. But there's a large group in the middle that will - that need the confidence and the hope to come back. And the number one thing that'll bring them back is reconstruction of the levies up to category five.

WILSON (?): Absolutely.

COLLINS: Thank you.

WILSON (?): Madam Chair -- and forgive me. You see me poised to take flight because I've got less than two hours to get to Dulles. And I've got to be back in Los Angeles by six o'clock.

COLLINS: Thank you very much for being here, Governor Wilson. We certainly appreciate it.

WILSON: It's been a privilege and a pleasure. Thank you.

COLLINS: Thank you.

I'm going to call on Senator Voinovich. Unfortunately, we do have two votes on right now. And I'm going to go vote and rush back. If anyone is here after Senator Voinovich finishes, feel free to pose your questions even if there's nobody officially chairing. You can be temporarily the chair. And I will return. Thank you for your patience.

Senator Voinovich?

VOINOVICH: Thank you, Madam Chairman.

The real issue here is that what is this committee going to do. And, Madam Chairman, hearing from these excellent witnesses, it seems to me that the focus of this committee should not be on what

happened, but on what we're going to do to deal with some of the things that have been talked about.

Mayor Morial is talking about dealing with where are the people, how are they going to be, what are they living in, how about the medical care, do they have a job and so forth. And then the next issue is what are the things that they're going to do to rebuild the city, as Mayor Owens has pointed out.

In other words, maybe what we should do is get some of their ideas together, maybe get a couple people that know something a lot about FEMA and bring the administration in here. I mean, I would hope somebody in the administration is thinking about some of the things that they've just talked about. There have got to be best practices out there. And maybe bring them in here and start asking them questions about what are you doing in this area and what are you doing in that area to make sure that this thing doesn't fall through the cracks.

And once that's done, then we can go back and get at the other stuff. But right now, we've got to take care of the people, and we've got to give them good information.

Mayor Morial, the question I'd ask you - and I'm sorry - is that the issue of information and hope. I mean, we talked about some are going to leave, some are in limbo. Some definitely will come back. But I really think that people have to know - and we can't do it immediately for them. But don't you believe that the sooner we can give them the facts about what's going to happen that the better off everyone's going to be so that they have less stress in their lives?

MORIAL: I agree. And I think one of the mistakes along the way in this has been the communication has been very disjointed. And you're right. People need a place to go to get accurate information. And my concern is what I call false hope, news reports that this section of the city is open, but that section isn't open. The minute any section is open, people are going to seek to return because they want to go examine their homes. They want to go examine the whereabouts, particularly those who evacuated beforehand, which is about 75 to 80 percent.

But communication is key. And I don't know if it has to be multifaceted on an official Web site, an official Web site, perhaps with official communications that would come from a czar or FEMA or jointly. There's a lot of - and it's prompted - I know this because I get a lot of phone calls from people who said I heard this on the radio, but I read that in the paper. What's true? What, in fact, is the case?

Is the city going to be drained in eight weeks, or is it going to be drained in 12 weeks? And then when will I be able to return? How about my insurance claim? How about my automobile insurance claim? Do I have to pay my mortgage? Do I have to pay my bank loan? If I write a check, is it going to bounce? Where can I get information about my basic human existence short-term while thinking about what I need to do long-term?

So communication is important. Where the buck stops on that at this point is a question that needs to be answered. Someone has got to say I've got the responsibility for communicating, and I'm going to communicate daily. And when that person talks, it's not that a local official is going to say one thing and then in the afternoon a state official is going to say something else and then the federal official the following morning is going to say no, no, no, no, that's not the case. Where'd you get that information from?

That is very important at this stage. And I think the media that has covered this, as many have expressed to me privately, there's a desire to report accurate information, but they don't know what the centralized departure point is for that information.

And let me just say I'd like to ask that my written remarks be added to the record.

VOINOVICH: Without objection, certainly. We had a wonderful briefing last week. All the Cabinet secretaries were there. It was about what they're doing. And I was quite impressed with the waivers and so forth that they're talking about giving. And I wish that everybody in America had a chance to be there to hear this, although I think that Secretary Chertoff has done some good press conferences. And I don't know if you've seen him on C-Span or not, but they're pretty good.

I mean, but the thing is how do you - the challenge is how do we get this information. And what's happened is - it's like, for instance, we thought we'd have 1,000 people in Ohio. Well, they backed off from that. But we have 200 families they've identified that are just kind of flown to Ohio. Well, how do you - and the federal government is trying to get an I.D. number so that they know who these people are.

And I guess probably that'd be the first thing to do would be to try and get an I.D. number so that we know who they are and then somehow figure out how we get the best information to that individual, give them a number that they can call to find out about information. I know one of the things you're talking about moving people out and they want to come back. I had the EPA director in yesterday. We were talking about some other things. He just said, you know, the water there is horrible. And they're really concerned.

And, Mayor, you just brought up you had to go back and make sure that you sanitized so many areas there for fear that if people came back in it, they would pick up some type of a disease. So the idea is to get the information out. Then the relationship of FEMA - and I've dealt with FEMA as governor of the state. They come in, and they help us. And we get the program in place, and we tell everybody what they're entitled to and not entitled to and so on and so forth.

But ultimately, FEMA bails out, don't they? And the state and local governments take over. Is that what happens?

OWENS: Right. They stayed with us until their job was done, which was quite a long time because that was the only disaster at that time. They worked us through a lot of different - you know, but the staff continually goes down. They can be there two, three months. In this case, I would say they'll be there -- unless we have others, I'd say they've got a one to two-year battle at least there.

VOINOVICH: Now, the question I have is in terms of recovery.

OWENS: Yes. But they are there to help because...

VOINOVICH: But the fact is what they're doing is they're helping you access federal programs and other programs that are available, i.e., the Department of Labor, unemployment and all those other things.

OWENS: Yes. Absolutely. Right. They are just wonderful to lead the people through that. I mean, they have people in their organization that will help lead them through that.

VOINOVICH: Good. Recovery of, you know, rebuilding homes and that type of thing?

OWENS: (inaudible)

VOINOVICH: But who ran that in your town?

OWENS: Who ran the information part?

VOINOVICH: No, who ran the actual getting this stuff done?

OWENS: Getting the stuff done?

VOINOVICH: I mean, you talked about you got $500 million and an advance of $100 million and some.

OWENS: Right. That's where I just appointed three tri-chairs and a five-member flood response committee out of our city council and myself.

VOINOVICH: And you ran the thing?

OWENS: The city council and those three tri-chairs with the help of the other - you know, they were the main - and I was the voice that spoke in front.

VOINOVICH: How about your state government? Were they at the table, or did they just access programs they had?

OWENS: Everyone was working, but they weren't always - they were at the table at the beginning until we had things lined up. There was - they always had a representative there. In fact, the governor appointed one of the retired National Guard - I think he was retired National Guard - as the lead for the state. So that person was at that table all the time.

VOINOVICH: How about the federal? Who was at the table?

OWENS: The federal government - honestly, every time I turned around, there was one of the three that would come in if there was anything urgent or anything detrimental. They were with us all the way. I mean, we talked daily. We'd get in on phone conversations. So, I mean, they were there. All of them were together. That's what I was saying was so unique because we discussed almost daily for over two years, even longer than that as things, you k now, progressed. At the beginning, it was more.

And then we, you know, kind of siphoned down. But they were always there. But it was our five-member flood response committee out of council. We had 14 council people, so you can imagine that's not easy. And then the three tri-chairs with the different, you know, the different things they were working with. Because somebody's got to lead the infrastructure and dealing with new flood control, which I said is number one to me to get the people some hope that when they go back, it's...

VOINOVICH: So that one of the first things that a decision should be made here is are we going to rebuild the dikes and get that information out and give people an idea of how long it will take in order to get that.

OWENS: Right.

VOINOVICH: Because that's number one, as I think you mentioned, Mayor Morial.

OWENS: Right, absolutely.

VOINOVICH: They're going to have to know that this is going to be taken care of or many will never

come back.

MORIAL: Right, the levy system. And there's also - and not much has been said about the drainage system.

OWENS: You have to...

MORIAL: Which the levy breaks which occurred occurred on levies that protected the city from manmade drainage canals, not natural bodies of water. And those drainage canals take water from below the streets of the city into the lake. So when the levies break, it had the effect of the lake water reversing back into the canals into the city. So the levy system in New Orleans - the drainage, which is the sub-surface water system, to know that it's operational, the pumps are working, there's a system of redundancy will give people some confidence that there are better protections from a category four or five engulfing the city in the future.

VOINOVICH: I've just been informed that there's no time left on the vote. And I'm hoping that they'll keep it open. But I just wanted to say to you - I'm not sure. The chairman of the committee will be coming back, but I'm not sure whether any of the other members will. So if you'd be willing to stick around for a little while to see if they come back. But this is one of the best panels that I've had since I've been a member of the Senate.

And I really thank you so much for being here. And I suspect that the chairman and the ranking member will be back in touch with you for more of your ideas because I'm going to recommend that what we do is to get the best ideas we can, get the administration and find out what they're doing and try to oversee - I mean, they're running the show. I mean - and so - find out what they're doing and see if it meets the benchmarks that some of you have established in your respective communities and, Mr. Logan, to look at what the Red Cross has done, what your experience has been and some of the areas that you've come back and rebuilt.

So thank you very, very much for being here today.

MORIAL (?): Thank you. Thank you, Senator.

VOINOVICH: Thank you.

I'll say that the committee is recessed in any event no one comes - well, the chairman will be back.

(RECESS)

LIEBERMAN: Folks, since I'm here, I'll be happy to take advantage of your collective wisdom. And as soon as any other member comes back, I'll be happy to yield to that person. I thank you again.

Some of you referred to an aspect of this that is very real and human, but we don't always talk about it and figure out how to deal with it governmentally. And that is the psychological impact of going through something like this. I keep referring to I have friends in New Orleans. I love the city.

You know, I was thinking, Mayor, as we talk about it that New Orleans, of course, is a great tourist town. And in part, that means that it is one of the cities that I'll bet you most Americans feel really good about, feel like they have some part of themselves there. But also in all the ways that you said for what it's contributed, particularly to American culture, it's a part of America.

But at any rate, just to ask the question from what you've been through. There are people walking around, both those who went through the worst parts of this, losing somebody, losing a family member or friend or going through the awful conditions of the Super Dome and the convention center. Or, frankly, you know, I talked to some friends who have said that, you know, they feel lucky that their families have enough money. They evacuated. They ended up in a hotel in Baton Rouge or Memphis. But the house is gone. They don't know where the law office or business is, what the future is.

You've all gone through that in different ways. What, if anything, can government do to be responsive to that particular dimension of this? Because if people are truly wounded, it is going to be hard psychologically. It's going to be hard to have the kind of recovery that we want.

MORIAL: You know, others may be able to add, but I think it's a subject for the experts. I think that the committee should publicly, privately, the staff talk to experts who confront these kinds of - this sort of massive trauma and to a great extent, massive grief. I mean, I know I fought back tears the first week to 10 days, particularly when I watched television.

I know that friends and family members have called me sobbing, in tears, going back and forth from thanking the good Lord that they are living, but lamenting the fact that they've lost much. The other component of it that I think could be addressed is family separation. There are people that can't find their family members. Family reunification - and sometimes it's just a case of information. But if you can't find your family member, you think they may be one of the deceased.

LIEBERMAN: Yes.

MORIAL: You don't really know because people were separated at evacuation. And a family is in New Orleans like it is in so many communities. It's an extended family.

LIEBERMAN: Right.

MORIAL: It's several generations who might not necessarily share a home or live in the same neighborhood. One may have gone to Memphis. One may have gone to Houston. One may have found their way to Austin. You don't know. So family unification is certainly something. But I think on the overall question, the only thing I would add - I don't feel competent or qualified to address that except to say it's massive grief and massive trauma. As I sit here, you fear that the phone will ring and someone you knew very well was in the deceased category.

LIEBERMAN: Right.

MORIAL: I know I learned from a man I talked to in Houston about the neighborhood that I grew up in where the water was to the ceilings. And I said, "Well, did you think people got stuck?" He said, "I know people got stuck." He's said, "I'm lucky I had a second floor on my house, so I was able to await rescue."

So it is something I appreciate you and the committee's concern for. But I think it is a subject that the public health experts and the mental health experts ought to be tasked with helping the country deal with.

LIEBERMAN: Thank you.

Mr. Logan, you've been through this. Senator Collins asked the question about the emotional consequences to individuals, communities as a result of this. We see it from those who went through

the worst of it and, as I mentioned, you know, as he said to me, had enough money in the bank. They're not worried about their future. In one sense, they evacuated, but their lives have been altered. Their homes are gone. Their offices are gone.

So I asked if there's a government role in this and how important is it. Mr. Logan?

LOGAN: I think there's an interesting dynamic that certainly I've observed and I've even been part of it myself, I suppose, in other disasters. What's going through your population right now is a stress that is primarily adrenaline driven. Get out of the city. Get away.

We talked to people where there's even a certain excitement about it. There's grieving, but the whole thing, there's a pivotal moment in their lives. And it's very much adrenaline driven.

This is not the same as losing a family member where it's you and your family. The grieving process will go ahead. What is really special about what's happening like this is the stress that comes later. And it's the stress of sometimes impotence against a bureaucracy, the normal things that go beyond the disaster. It's getting your life straightened out. It's sorting out your mortgage payments. It's do you put the kids in one school. And this is the same in - this is what's happening in Indonesia right now.

What our psychological teams are finding is that the level of psychological stress actually increases but in a different form after the disaster has gone. As the adrenaline goes out, you're faced with the numbing problem of not having your surrounding community, not having your family, not knowing what to do. And I watched one of your psychologists on the television talking to a lady who is in a wheelchair.

She had spent the whole of her life - she was 70 years old - in New Orleans. She was in Montana or somewhere. And she said, "I don't know whether to be so grateful for these people from the American Red Cross and the government who are helping me or to commit suicide because I don't know what to do. I've got no friends. I've got nothing."

So I think that the authorities in government have to look at the psychological impact of this as a long-term thing. And one of the benefits that we've had in the tsunami operations for the first time ever is we have been able in the international humanitarian to have funds that will allow us to put in programs which normally we can only run for a few months for programs that can be run for several years. And I think that's the challenge that's faced.

LIEBERMAN: Mayor, do you have any reaction to my question based on what the folks in Grand Forks experienced?

OWENS: Yes. We put together what started out - well, you don't realize when you're starting with this that you're going to have all that. But even at the very beginning, I would have calls that - well, for instance, this man was in his home. He had a gun. The neighbors called. He was going to shoot himself. OK?

Well, that's when I discovered also what we were going to go through psychologically. In fact, I almost adopted through the whole time I was there a young boy who had lost his grandfather. And he couldn't recover. So his dad asked me to help him, so I just took this kid. It's a smaller city, but I took him. And I did whatever I could to help him.

But the main thing we did - FEMA does have people that line that all up for these cities and so forth. And we did have - when that happened, all I did is I was in the same building. I went and got them.

They went out there, and we had several, several like that. They do have a division of their FEMA people that work with that.

And also, by the time they were gone, we had lined up through our local united health services a group of our top psychologists, psychiatrists, agencies like the Northeast Human Service Center, that type of thing. And they had already gotten together. And we just actually sent to them.

Another thing that happens is your own people, the city staff, city, county staff that are working become psychologically burned out. And that's something you really have to watch for because it can be very, very detrimental to the recovery of your city. We had much of that.

And eventually we hired a person from the Minneapolis area who we had - and would have - at least we had somebody to send them to and also our local psychiatrists. We had an employee assistance program. And that was - it lasted a long time. In fact, there's still some of that eight years later that they really need the help. Psychological is going to be one of the biggest problems because they're hurting.

LIEBERMAN: Thank you.

Senator Collins?

COLLINS: I almost said thank you, Mr. Chairman.

LIEBERMAN: You've been very generous in working together. But I do know I'm the ranking member.

COLLINS: Mayor Owens, I was struck by the fact that you had a fairly sizable city, 50,000 people, that you had to evacuate. And I assume that means that temporarily you had to house them as well. One of the major challenges that we face with Katrina is we're going to have to provide long-term housing for some 450,000 families in addition to many more who have short-term housing needs.

OWENS: Yes.

COLLINS: How did - what did you do for housing?

OWENS: Well, of course, like I said, I don't like our title. But we were the largest disaster per capita ever in the nation until this one. And we had evacuated the largest American city. This is just - I mean, I look at the area now, and it's similar. But it's so much smaller.

The only thing is when our people left, they went to 49 of the 50 states. And many of them had to - I mean, could not come back, whose homes were gone. There were homes destroyed, homes wet. What we did is we brought in the trailers. We had 400 trailers on our side and, I don't know, 200 to 300 trailers on the other side of the river in East Grand Forks. And they lived in those for 18 months, a lot of them, until we could get, you know, some housing stock rebuilt.

We formed a group with Grand Forks Homes, Incorporated, which is a private investing company in our city and Fannie Mae and worked to build - and private financial institutions - to build 200 homes so people would start coming back. And if we saw that we were having more problems, that things weren't getting cleaned up, we were going to do more. That's controversial, too. It wasn't at the beginning, but then when the things start getting better, the realtors were not happy. But we got in the middle of that. And, you know, you have to do this or you're going to lose your people.

But housing that many people, I said, "As I look at it, I just know," I said, "I don't know. I think the people across the United States are just going to have to each help some of these people." And the thing that I couldn't get - and I know I wouldn't do it, but I know they have to - is they take you out of a shelter, put you on a plane, and you don't know where you're going to land. That just got me. I thought, "That, I don't think I could do it."

COLLINS: That actually is a great segue to the question I had for Mr. Logan.

I was struck when you mentioned the fact that you can't force people to live where they don't want to live. And FEMA officials have told me that one of the very big challenges that they're facing is helping displaced families to come to grips with the fact that they're not going to be able to go home anytime soon.

We've also seen - for example, there's a former closed military base in Northern Maine where I'm from which could accommodate some 200 people. I'm shocked to learn from FEMA officials that people from the South aren't that eager to go to Northern Maine and live there for a period of time. I'm sure they'd love it if we could get them there. But in all seriousness, how do we deal with the housing needs, respecting the preferences of individuals and yet, accommodating an overwhelming need, not just for temporary housing, but for long-term housing?

LOGAN: I think in the case of the United States, it's very different from the ones that I'm involved in where the (inaudible) country is so enormous. But I don't think it's immune from that very dilemma. You're right. You can force people to leave. But you've already seen what happens with mandatory evacuations. They're so sensitive that they're not practical.

There are some countries, perhaps, where the political situation would just simply force people to leave. But that's a forced evacuation, forced resettlement. And we in the Red Cross movement have been faced with the dilemma of what do you do when people have to be compelled one way or the other to leave. We don't get involved in that. What we do is if you're going to move a population, they have humanitarian needs, they have to be sheltered, they have to be fed.

Clearly, what we would try to do is advocate for alternative solutions. And this is what we're doing, for example, in Indonesia where there is no way that we can put 100,000 families into permanent housing tomorrow. In Sri Lanka, they have never built more than 500,000 houses in a year ever. And we have to build.

So you look at various different alternatives. And you have to listen to what people are saying. Interestingly enough, a number of years ago I was working with the American Red Cross on disaster management exercise. And the tasks that they were asked to look at at the time was what are you going to do if you had to evacuate a major city in the United States. And specifically, it was to do a shelter because traditionally, internationally anyway, the Red Cross movement is involved in shelter.

And it got down to the certain parameters. You had to be 200 miles from the city because of contamination. I think it was weapons of mass destruction type of scenario. You couldn't use schools and hotels because they would be needed later. And very quickly everybody was saying, "Well, we can't do this. How can you house 200,000 people?"

And interestingly enough, the international members said, "Yes, we can do it. We do it all the time. You put them into tents." And they said, "Well, you can't use tents." But ultimately you have to use whatever is there. And then you work up.

In the tsunami what we're saying is there will always be someone in a tent until it's finished. And there will always be somebody who goes first into a new home. If they have to stay in a tent, we have to make sure that's the best possible tent that we can get them. And they're already beginning to degrade. And then you move them up.

The problem is if you move them into temporary accommodation in any society in the world that I have been to - and I've been to 50 countries now - there is always the worry that if I'm the first one into a tent will I be the last one to get a permanent house. So there's this - it requires a lot of communication. It requires a lot of transparency. Above all, it requires listening to the people and letting them be a part of the solution.

COLLINS: Thank you.

Senator Akaka?

AKAKA: Thank you very much, Madam Chairman. I listened attentively here to all the experiences you've gone through, all of you. And there's no question that what you're stating to us will be helpful.

Mayor Owens, I've been a key proponent of pre-disaster mitigation programs. Do you know if your city at that time benefited from any of FEMA's pre-disaster mitigation programs prior to the 1997 flood? And if so, how would you assess their effectiveness?

OWENS: When the 1997 flood occurred, we were in the process through our city, you know, building enforcement, trying to work with and enforce the 100-year flood plain. And FEMA came in, and they worked - I have testimony that I've sent in. Many of the - we had to comply with that disaster resistant community plan that they had. And they have acknowledged to us that we were one of the committees as we were rebuilding that complied, you know, totally with what they wanted in place before we had just started.

We were building a flood control project that we had - were half- way through. We had to throw it away because it wasn't any good. And we had, in fact, even talked with the Corps of Engineers. And we're flat, but they were going to build it around us, so we would have been like in a bathtub. And New Orleans was one of the ones that I knew very well because they would talk to us about it.

But it came about from the FEMA plan. That was one of the best programs they have. I don't think they have it anymore. And I think it was a wonderful plan. They need to do that because these events are going to keep happening time and time again.

AKAKA: Thank you for that. I understand that there was a mandatory evacuation of Grand Forks, which has a population of 50,000. Did anyone refuse to be evacuated? And if so, how did you handle those refusals?

OWENS: For some reason - I don't know why, but for some reason or another, they listened to me. And maybe it's because I had 33 previous years with the city and had been front line with four mayors. They knew me personally. And it's a smaller city. You can know the person personally.

But there were - we had people going through the city actually with blow horns. We had the fire department, the National Guard. We had the Coast Guard. We had the police department. And actually, the National Guard was already trying to clear out the nursing homes and all that were in those low areas.

I just - they did listen. There were some that didn't unfortunately. A group of them that did not were in that building that caught fire downtown. They had left the electricity on. They didn't tell me, but they knew there were some people still housed up there. That's what shorted out. And so, when they went in, they couldn't get in. They couldn't use fire hydrants. They couldn't do anything to hook up. So the fire department saw those people and got them out. They were kids.

And there were - yes, there was even a county commissioner and her husband that refused to leave that lived right behind my home. We did not force them, but we did remind them the worst cause of death in a flood is electrocution or fire and that we would not respond because we did not want to put our first-line responders in danger for their inability to take charge of their own lives.

AKAKA: Grand Forks water treatment plant...

OWENS: That went under.

AKAKA: ... was shut down during the...

OWENS: Absolutely.

AKAKA: ... 1997 flood. Well, what was the extent of contamination of your city? And based on your experience, what would you recommend in terms of handling the cleanup?

OWENS: Well, I'll tell you I'm not sure - I know everything that had been touched by the flood waters had to be discarded. We had tons and tons and tons of garbage. I can't tell you - I just know everything was contaminated. Of course, we had animals and things in there, too, but we lost no human lives.

There was field oil. There was chemicals that it had picked up. One thing that we did is the state health department - we delegated so much and trusted. And we'd just get together. We delegated to the state health department and our health department officer in the city. And they worked with that with the EPA and, of course, legally with our city attorney. That city attorney stood out with everything we did.

COLLINS: Excuse me for interrupting for just a moment, Senator Akaka and Mayor. The second vote - the time has expired. I have not voted, so I'm going to go vote. But I'd be happy to turn over the gavel to you, Senator Akaka so that you and Senator Pryor can complete your questions.

I do before I run up just want to thank our witnesses since I will not be coming back this time and to say that the hearing record will remain open for 15 days for additional materials. But thank you so much for your excellent testimony and for sharing your experiences with us.

And, Senator Akaka, I'm proud to turn the gavel over to you. Thank you.

AKAKA: Thank you, Senator.

MORIAL (?): And I have to excuse myself, also to get to another engagement. Thank you. Thank you.

COLLINS: Thank you.

AKAKA: Thank you, Madam Chairman.

OWENS: Mr. Akaka, I think the thing that I would tell you is that, you know, even with the size of our city with all the technical things, we really turned over and left it to the experts. And they were

remarkable with the EPA in cleaning up our city.

AKAKA: I see. Well, thank you for that.

Mayor Owens, I understand that the flood caught Northern Systems Power, one of the largest power suppliers in North Dakota, by surprise. But it was still able to implement an emergency shutdown plan. When power was re-energized to the city, were any steps taken to minimize the possibility of fire outbreaks? And how do you assess their planning and their implementation?

OWENS: They were absolutely - well, we had no power for probably a week before. With the ice storm, the whole region was out. So they had their plans well in line because they knew what was coming. But the only thing we did is we had our state and electrical board and our city electrical people, enforcement people -- before anybody could enter any building after the electricity was on, they had to check it through thoroughly.

AKAKA: Thank you.

Let me ask one question of Mr. Logan. And we'll have questions from Senator Pryor.

Mr. Logan, you were involved in a tsunami relief effort in Southeast Asia. As you mentioned in your testimony, many saw the disaster also as an opportunity to implement a redevelopment program for the region that would raise the standard of living for the residents. Yet one of the problems was the Indonesian government's slowness in developing and implementing plans.

Based on your experience, what recommendations would you make to city, to the state and federal officials in the states effected by Hurricane Katrina as they begin planning for reconstruction and redevelopment?

LOGAN: I think it's a question that has over-arching across boundaries, so I don't think I'm in a position whereas a visitor suggesting recommendations to yourself. It's true. Forget the additional complication in both Sri Lanka and in Indonesia that these were states in conflict, that there was ongoing conflict there and that the Banda Aceh province had been effectively a closed province for nearly 30 years, which added to the complication.

Consequently, the Indonesian situation - there is perhaps some understandability that the mindset that the government had to turn around to go to a massive redevelopment in a region which was actually going in the opposite direction requires quite a change of turn. It's a bit like turning an aircraft carrier. You'll get around there eventually, but it's a big circle.

What became clear and I think where the lesson is in both Sri Lanka and in Indonesia, which are the two biggest ones but very clearly and very positively demonstrated in the Maldives, a much smaller country, was that once the decision was made that there was a need to look at this beyond simply throwing up a few little houses along for the fishing communities, that there was, in fact, not only an opportunity, but, in fact, an obligation to build better, if you like.

In the case of (inaudible) they established a specific focal point that would transcend the national, regional and local authorities without cutting them out. In other words, incorporating them. By the way, even in Iran ultimately it was the, it was the state and the city who actually took on the lead even there.

(inaudible) was that if we can do this now and we can learn from this - and the urging of former President Clinton and his group is that this is an opportunity to establish a mechanism which does not

necessarily have to be large because many of the communities that I helped to respond to are quite limited in capacity, but something which is extremely flexible. In other words, it has a mindset that between disasters, it is there working on preparedness and being ready and this cultural awareness, but that the mechanisms are there for it to rapidly expand to meet whatever the scope of the disaster is.

So I think that those countries that have realized that other disasters will come and that disasters do, in fact, give you an opportunity to address risk, to build better both socially, to build better both in terms of architecture and building standards, that needs to be continued as a mindset between the time when there are no disasters. And I think therein lies a lesson that has been learned in many countries around the world. The success of which has been implemented varies.

But certainly, we are seeing some real progress now in Indonesia after that decision was made and they got a particularly effective individual. And that's why I'm saying I think the individual very much will be the person who drives that forward ultimately.

AKAKA: Thank you very much for that.

Mr. Pryor? Senator Pryor?

PRYOR: Thank you, Mr. Chairman. Now is our chance.

AKAKA: (inaudible)

PRYOR: Mayor Owens, let me ask - I'm sorry I had to step out for those votes, and I had a phone call and all that. But in your area, you had extensive flooding, is that right?

OWENS: Yes, we had...

PRYOR: And an ice storm?

OWENS: Well, it started we had over 100 inches of snow, eight snow storms that just crippled our area all the way from October through to April. So we had been battling with that. We had even acquired the help of the National Guard to keep our roads open it was so bad. Our whole state was inundated. It was the largest disaster ever per capita in the nation until this event. And we evacuated 50,000 people.

We had the ice storm. We were sandbagging at that point. We always had some type of flood. We were sandbagging at that point. But then 14 inches of snow the next day. And then right after that, we had to dig the snow away so we could continue to sandbag on the levy. And then it just melted too quick, and we had the Red Lake and the Red River of the north that ice jams. And we just got inundated.

PRYOR: Right. How much water did you have in your city? How high was it?

OWENS: Well, it was anywhere I think in the lower - well, what we call the Lincoln Drive area. They had a levy system in there that had been in since the '50s. That's the first one that breached. I'm not sure of the extent of it, but it went up to over the roofs of the houses. They were just floating. Otherwise, I'd say throughout our city anywhere from four to six feet of water.

PRYOR: So in other words, when you see pictures of New Orleans, that looks...

OWENS: I looked up my 10-minute film that I had, and you can identify right up to where we lost no people. And then that's where my heart just went out to them.

PRYOR: Well, after the water went away, how long was the water there in your city?

OWENS: We were probably a couple of weeks.

PRYOR: After the water went away, what percentage of the buildings could be saved?

OWENS: My. Well, 90 percent of our city was wet. And I think we lost about - without the flood control project, we lost approximately 1,000 homes on our side of the city. And then East Grand Forks, Minnesota lost almost their whole housing stock. They were totally under there in the 8,500 population.

PRYOR: OK.

OWENS: The majority of the businesses were wet. I'd say the majority of them also could be saved.

PRYOR: OK. But a minority of the houses could be saved?

OWENS: Well, we have, let's see, all the ones along the river for sure were gone, 1,000. So 90 percent were wet. I'd say we probably lost, gosh, a lot of our apartments, probably 40, 50 percent of our housing stock at that time.

PRYOR: I'm just trying to get a sense of what we can anticipate down in New Orleans. You know? Because I know it's different. But there's a lot of similarities to what you went through there.

OWENS: Right.

PRYOR: And let me ask this. In terms of the aftermath of the housing and also the commercial property, who paid to have them cleaned up and maybe demolish and rebuild? Who paid for that? Was it private insurance? Was it the government? How did that work?

OWENS: Both. First of all, that $171 million that we got out of that $500 million disaster aid bill that Congress passed - we used much of that for help with, you know, for these businesses to get them back onboard. A lot of - I mean, not - we did some of that. The FBA (ph) - so a lot - most of it was private. They had to get loans. We had a lot of people that are still working at 75 years old because they could not retire. They had to invest. But it was a partnership, but a lot of it was private money.

PRYOR: Yes. Let me ask both of you this question. We have right, just by way of background - you know, Arkansas is immediately above Louisiana. And we're immediately to the west of Mississippi. So we have a lot of people in our state. We don't know exactly how many, tens of thousands. One estimate is 75,000. We don't know exactly how many we have displaced persons or evacuees, whatever you want to call them. Some are in camps. Some are with friends. Some are in hotels. You all know the routine. You've seen this before.

And one thing - I was on the phone yesterday with a lot of the people who are running these camps. In fact, a lot of the camps in Arkansas - we have a lot of civic centers and things like that that we've converted. But we also have a lot of, like, church camps that are being used. And that seemed to work out very well.

But one thing that when I was talking to the people on the phone yesterday - I was talking to Arkansans on the phone yesterday that were doing this. They said that for a number of the people they've talked to that they've said, look, we don't have anything to go back to. And if you can get us a job here, we'll just

stay here. Has that been your experience?

OWENS: Yes, we did lose population at that time. I think the thing that I would say right now to New Orleans and the Gulf coast is, you know, this is going to be a 25, 30-year project as you move along. It's not going to be built overnight. It's going to take a long time. And, I mean, that's just my thinking from what we went through because ours is about a 15-year project.

But the one thing I would say is, you know, I guess, I think what really pulled the heartstrings in my household was, you know, you become blind to the poverty level of some of the people. And that just broke my heart. If these people go away and they can find jobs and stability right now, I think they need to do that. Let New Orleans and the Gulf coast build. And other people will come in. And these people may come back. But they need some normalcy in their lives because they can't go on for as long as it's going to take to rebuild.

PRYOR: Mr. Logan, is that your experience?

LOGAN: I think it's exactly the case in any part of the world that I've ever been to. Some will never leave in spite of the fact they're floating down the river. Some will never come back. The bigger group will be driven by the need to retain their family connections, to get their kids in school, whatever that may take. So consequently, some will relocate for a certain period of time until they observe that the situation is sufficiently stable for them and their families to go back.

So you have to make programs for the people that will come back immediately, the ones that may come back later on. What will your obligations be? And this is a difficult one that some authorities can think around the immediate transitional needs, but they don't think to the fact that they may not necessarily be the ones that are calling the shots five years from now. And that's why I'm saying you have to be ready to welcome them back, not just today or tomorrow, but maybe five or 10 years from now they may want to come back to their home, particularly those who are native to that city.

And then others will see an opportunity that they never have. We're dealing very often with people who are not only moved from their city, but actually moved out of their country. They become refugees. And I think that there are many, many stories that being a refugee, which was a term that was being used early on here, which is incorrect. But nonetheless, so many refugees actually became - they broke that cycle, and there was opportunity. And I believe that there will be opportunities. And you will probably find some hearty New Orleans people who actually find living in Alaska has given them something new. It's a broad spectrum.

PRYOR: Right. And you touched on one of the reasons I asked that. And that's because in our state, you know, we have school districts. We have cities, counties, state that are providing services, et cetera. And just as I talk to them over the next several days, several weeks, several months, I just need to be ready to share my thoughts on how many of their resources they should invest in these folks. You know? Because kids are in schools, trying to find jobs, you know, all those issues.

And I'm going to tell you I've never been more proud of my state. They have welcomed people with open arms. They've opened their checkbooks, opened their personal homes. They've given them cars. I mean, you know, it's just been amazing to see the generosity of people in Arkansas. And I'm sure that's true in other parts of the country as well. But that's really why I was asking, because I just would love to be able to advise either our governor or our various local people on what to expect, what the future might look like.

OWENS: You know, even in our case now - and I said New Orleans and the cities along there, of

course, they have to recoup their economic development, try and get their people back to the tax base. But in our city, it can be an opportunity. It sounds terrible because there were lives lost. But these people that are at the poverty level, some of them might find jobs, a place where their children can go to school, a place where they can make a better living.

To me then they should take their opportunities. And other people will move in, or these people may go back. But it can be an opportunity for people that were living at the poverty level particularly.

PRYOR: Let me ask another question on a different line. And that is that our experience in Arkansas - a lot of these people when they got off the buses, they were bewildered. They didn't know what state they were in. You know, in fact, there's one case - we don't have to relive all of FEMA's problems.

But one example I heard is that they loaded them on the bus at the Super Dome, drove them all the way to the Astrodome. It was full. They drove them back to New Orleans actually, even though there was no place to go back to. Drove them back to New Orleans. Somewhere in that vicinity apparently they waited on the parking lot, I'd heard, for five hours. I haven't verified this, but this is what anecdotally what people have told me. And then they drove them up to Fort Chaffee, Arkansas, which, you know, I don't know how many hours that would be.

But anyway, they got processed there. And then they put them on a bus to, you know, go to the camp wherever it may be. So some of these people - I don't know how many hours, but a full day, maybe two days on the bus, maybe three, I'm not quite sure. And they were very bewildered. I mean, literally when they got off the bus, some of them didn't know what state they were in. You know, they landed in planes and didn't know where they were or what state they were in.

And clearly, a lot of these people really felt no real assurance, I guess, from the government. And then I've heard stories where in one of these camps they kept saying FEMA will be here in the next few days. And everybody was anticipating FEMA coming. They finally came there, and all they had was a guy with flyers, you know, the toll-free number and a Web site. And so, there was a big letdown there.

And I guess my question is based on your experience and your experience in this country I'm talking about, not internationally, but in this country, is that common? Or is normally there a government agency there that's actually - you know has a better game plan and is actually taking care of people in a more deliberative way?

OWENS: In our case, they were there. I mean, we didn't have that problem. We had people in 49 of the 50 states. I mean, they just - now, I don't know if you were here when I said that would be the hardest thing that I could do. I'd probably be one of the ones that wouldn't want to go to get on a plane when I don't know where I'm going to be on the other end because you've lived here all your life. You're just ripping people - you know, but that's what they had to do, I guess. But I don't know in this - you know, it was so large. I don't know if they could have - it could have been done better, but I don't know. They had to get them up to safety, I guess.

But what we did for our people that were evacuating even in that small city is we had the ability to tune into TVs. The media was wonderful to us. And every place where they had a large group of people in these cities, we had a press conference almost daily so they would know what was going on in their city while they were gone. And that worked wonderfully. Like I'd turn into - well, all across the country they did that for us.

PRYOR: Yes, that's good.

Do you have any comment on that?

LOGAN: Not specifically to your question regarding the United States, but I think there is one other statistic that we have identified. Whether it would apply here or not, I don't know. But I suspect that it might.

In almost any displaced population, there probably is somewhere around about 10 or 15 percent which would have to be classified as especially vulnerable. Now, in our case it may well be that it's old folks who can't get to food distribution lines. The young guys get there in Africa. They're up there. But very often that 10 or 15 percent slips through because your planning is for the 75, 80, 90 percent.

And very often these very, very vulnerable people - and maybe it could be handicapped. It could be mentally challenged. It could be single moms. That, of course, is one of the big problems we have in refugee camps where it's mostly women and children.

But all I would say is that those people that are involved have to give some special attention to identifying where that 10 or 15 percent might be. Because otherwise, they will be the ones that drop down. And they're probably disadvantaged to start with. And they will slip right down below the radar. So I think that needs to be looked at as well.

PRYOR: Let me ask about the Red Cross. You guys work with FEMA very closely?

LOGAN: (inaudible) on the basis of the American Red Cross. I know that the course they have as part of their - they're an auxiliary to the U.S. government. And they have a very clear mandate.

PRYOR: Right.

LOGAN: And that they will be working with them right as we speak. I know that. The details - we'd have to ask my American Red Cross colleagues some other time.

PRYOR: And my last question, I promise, Mr. Chairman, my last question is one thing that you heard the committee talk about today is accountability. We have a lot of money that we've appropriated for this region of the country. And I'm curious about your experience in terms of scams and rip-offs.

And I know -- I'm a former attorney general in my state. And we used to do consumer protection, which is scams and rip-offs of people, you know, fly-by-night contractors and things like that that when they get their money up front, you never see them again. So certainly, we know that's going to - there's going to be some of that. We just know that.

But also the contracting process - unfortunately, we've done some of this with no big contracts. And we'll talk about that a lot over the coming weeks here in the Congress. But what's your experience with the money that goes in to try to help, and sometimes people try to profiteer or sometimes people try to take advantage of desperate situations? Do you all have a comment on that? Do you have a comment on that?

LOGAN: It's always been a problem internationally and I suppose never, ever more than in the tsunami, which was the greatest sort of giving internationally that we have ever seen, to the point at which of the three main areas that former President Clinton and his rather special envoy have identified that require specific attention, aside from the tracking and the personal needs, that is accountability. Very clearly - and we're dealing with government authorities in 11 different countries in the tsunami and in many other ones - is the willingness and the ability to have some form of external auditing.

And in the case of the tsunami, all of the governments involved, all of the agencies involved, like our own, have opened ourselves up to not only vigorous internal auditing and tracking and accountability, but also external.

Clearly, the complications of dealing with that amount of money on an international basis are very, very important, very, very tricky. And undoubtedly, we were - we know already from day one that we will be under the microscope on the whole question of accountability just on that. And then you multiply that by the number of other disasters that we're working out internationally has become a core element of stewardship for the Red Cross as a movement.

OWENS: We had one company, one construction company that was working with an event center we were building at the time, a $70 million event center. So they were in the city. And we knew we needed somebody immediately to start helping with, well, so many different things that needed these people. And the city council and myself agreed to keep them onboard because our others were all scattered.

I wasn't very popular later because when it came down to where you could start with divvying out the jobs to other people coming back, you know, for private enterprise, I had them pull back. And, I mean, they did a wonderful job. But it was time to turn it back to open, and that's what I did.

PRYOR: Mr. Chairman, thank you.

AKAKA: Thank you very much. I want to thank our witnesses on this hearing, "Recovering from Hurricane Katrina, the Next Phase." I want to thank you so much for your testimony. It'll be helpful to this Committee on Homeland Security and Government Affairs.

And as chairman, we will adjourn this hearing.

This hearing is adjourned.

END

NOTES:
[????] - Indicates Speaker Unknown
[--] - Indicates could not make out what was being said.[off mike] - Indicates could not make out what was being said.

PERSON: SUSAN M COLLINS (94%); TED STEVENS (57%); NORM COLEMAN (57%); LINCOLN D CHAFEE (56%); PETE V DOMENICI (55%); JOHN W WARNER (55%); CARL M LEVIN (54%); DANIEL K AKAKA (54%); CRAIG THOMAS (53%); MARK DAYTON (53%); FRANK R LAUTENBERG (52%); MARK PRYOR (52%);

LOAD-DATE: September 20, 2005