



For Immediate Release
Office of the Press Secretary
December 21, 2005

Fact Sheet: A Commitment to Continued Recovery and Rebuilding in the Gulf Coast

[In Focus: Hurricane Recovery](#)

Today's Presidential Action:

Today, President Bush Signed The Gulf Opportunity Zone Act Of 2005 And Discussed Efforts To Further Encourage Business Development And Job Creation In The Gulf Coast Region.

To spur investment and economic development, the President signed legislation creating a Gulf Opportunity Zone, with tax relief to be provided to businesses and entrepreneurs in Louisiana, Mississippi, and Alabama. This bipartisan legislation is an important step to help residents of the Gulf Coast rebuild their lives in the wake of Hurricane Katrina - and another step forward to fulfill the Nation's commitment to recovery and rebuilding in the region.

- **The Gulf Opportunity Zone Act Of 2005 Will Boost The Small Business Sector And Revive The Spirit Of Entrepreneurship In Louisiana, Mississippi, And Alabama.** Provisions of the GO-Zones Law will:
 - Double small business expensing from \$100,000 to \$200,000 dollars for investments in new equipment;
 - Provide a 50-percent bonus depreciation for businesses that invest in new equipment and new structures;
 - Allow additional issuance of tax-exempt private activity bonds;
 - Expand the amount of available low-income housing tax credits; and
 - Double Hope Scholarship and Lifetime Learning Credits for students attending colleges and graduate schools in the Gulf Opportunity Zone.

The President Urged The Development Of A Skilled Trades Workforce To Rebuild The Gulf Coast. The President today convened a meeting with community college leaders, union representatives, business owners, State and local officials, and other civic leaders at the White House to encourage the training and employment of Gulf Coast residents who lost their jobs in the wake of the hurricanes. By coming together to help workers acquire the skills they need, we can improve the lives of citizens in the region, provide an incentive for evacuees to return home, and speed the economic recovery of the region.

The President Urged The Senate To Complete Action On Pending Legislation To Provide Gulf Coast Residents With Further Resources To Rebuild Their Lives And Safeguard Their Communities From Future Disasters. The Deficit Reduction bill will provide \$2 billion to help states pay for critical medical care for low- and middle-income evacuees. The Defense Appropriations bill would provide important Federal funding to rebuild the levees in New Orleans; to educate the children of evacuees and those who have returned home to damaged schools; and to restore roads, bridges, and Federal facilities in the region. Both pieces of legislation are important for the long-term future of the Gulf Coast and the people who call it home, and Congress should complete action on them as quickly as possible.

A Commitment To Continued Recovery

Providing Assistance, Housing, And Help For Gulf Coast Residents And The Reconstruction And Recovery Of The Region Are Top Priorities For The Administration.

The Department of Homeland Security's Federal Emergency Management Agency (FEMA), working in partnership with State and local officials, continues to facilitate the Federal government's role in all aspects of recovery in the region. President Bush is committed to helping the citizens of the Gulf Coast rebuild their lives and livelihoods - and progress is being made.

- **Restoring Levees:**

Federal Support Coordinator Donald Powell last week announced new actions proposed by the Administration to protect New Orleans from the large-scale, catastrophic impacts of another storm of the magnitude of Hurricane Katrina. In order for the Crescent City to rebuild, and for citizens and businesses to feel confident in their return, the city needs a modern-day, reliable flood and storm protection system.

 - President Bush and his Administration are working to rebuild New Orleans' existing levee system and have proposed additional safety and security measures to make the levees better and stronger than ever before. Additional levee protections - including armoring, concrete reinforcement, and replacing interior canals with pump stations - will address the main causes of the catastrophic flooding during Hurricane Katrina. Funding to rebuild the levees in New Orleans is included in the pending Defense Appropriations bill.
- **Direct Assistance:**

In the wake of Hurricanes Katrina and Rita, FEMA has provided more than \$5.9 billion directly to 1.4 million households for financial and housing assistance through the Individuals and Households Assistance Program (IHP). This amount is the most ever provided by FEMA to victims of any single natural disaster (\$4.2 billion for Katrina alone) and is more than double the combined total of IHP dollars for the Northridge Earthquake in 1994 and Hurricane Andrew in 1992.

 - The (800) 621-FEMA teleregistration and help line has been operating 24 hours a day, 7 days a week since Hurricane Katrina struck, a service never before provided for this length of time.
 - As of December 20, there were 119 Disaster Recovery Centers (DRCs) open in the Gulf Coast. DRCs are one-stop resource centers that provide information about different types of state and Federal disaster assistance, including loans from the U.S. Small Business Administration (SBA) for homeowners, renters, and business owners.
- **Housing:**

FEMA has provided rental assistance to more than 650,000 households to date and remains committed to providing families with the tools they need to become self-sufficient again.

 - FEMA continues to reach out to the less than six percent of evacuees who have not yet found longer-term housing. For these evacuees, who are residing in approximately 38,000 hotel rooms in 47 states and the District of Columbia, FEMA will continue

payment for hotel rooms through January 7, 2006, or longer.

- The agency has set up a referral assistance center and dedicated over 1,300 FEMA employees to reach out - using fliers, making phone calls, and knocking on doors of hotel rooms - to find out what evacuees' needs are and whether they're eligible for FEMA assistance.
- HUD has provided nearly 13,000 families who were not eligible for FEMA rental assistance with rental vouchers administered by the public housing authorities in the cities where the families are living.
- Under HUD's "Mortgage Assistance Initiative," the Department will make mortgage payments for up to a year for disaster victims with FHA-insured mortgages who want to start living in their homes again. This unprecedented mortgage relief enables FHA borrowers in the impacted areas to retain homeownership as they concentrate on repairing their homes and finding jobs.
- More than 148,000 damaged roofs have been temporarily covered by FEMA's "Blue Roof" program, operated by the U.S. Army Corps of Engineers, so that families can remain in their homes as they rebuild.
- More than 48,000 travel trailers and manufactured housing units are temporary homes for Hurricane Katrina victims, nearly triple the number of units used following all of last year's Florida hurricanes and far outnumbering any housing mission in FEMA's history.

- **Education:**

The Department of Education is working with states and schools in the region and elsewhere to ensure a minimum of disruption for the hundreds of thousands of students affected by Hurricane Katrina.

- The pending Defense Appropriations bill would provide \$1.6 billion in education relief for school districts and private schools educating displaced students; reopening damaged school systems in Louisiana and Mississippi, Texas, and Alabama; and providing aid to colleges and universities in Louisiana and Mississippi.
- The Department has held roundtable meetings with education and mental health experts to help children and families recover.
- Hurricane Help for Schools, the online clearinghouse that enables Americans to match their donations to meet schools' most pressing needs, has made 540 matches to date. Supplies donated through the site have reached 146 schools in Louisiana, 47 schools in Mississippi, and 20 schools in Alabama.

- **Economic Recovery:** The Administration is taking action to encourage business development and job creation in the region.

- To date, FEMA has approved more than \$400 million in Community Disaster Loans to municipalities in Louisiana and Mississippi, the first phase of a loan program that will help keep essential services online in the hardest-hit communities. This includes a \$120 million loan to the City of New Orleans.
- FEMA has obligated more than \$211 million in disaster unemployment assistance for eligible hurricane victims.
- To date, the SBA has approved over \$1.6 billion in disaster loans to over 23,500 homeowners, renters, and businesses in the affected region. SBA has also announced the Gulf Opportunity Pilot Loan (GO Loan) Program, which is providing faster turnaround on loans for small businesses in the Gulf Coast.
- The Department of Labor has approved more than \$300 million in special training and employment resources to Gulf Coast states impacted by the hurricanes. These resources include \$206 million for National Emergency Grants to assist dislocated workers, \$63 million in community-based job training grants awarded to 35 community colleges in eight states, and \$12 million in high-growth job training grants to support training in such critical industries as construction, energy, and health care.

- **Debris Removal:**

Nearly 56 million cubic yards of debris have been removed in Alabama, Texas, Mississippi, and Louisiana. If the debris from Hurricanes Katrina and Rita was measured in 1 yard cubes and stacked in a column, it would wrap around the Earth more than once.

- FEMA reimbursed the states at 100 percent for this expense for a month or longer in Alabama and Texas.
- For Mississippi, FEMA will continue to reimburse debris removal at 100 percent through March 15, 2006.
- For Louisiana, FEMA will continue to reimburse debris removal at 100 percent through June 30, 2006.

- **Flood Insurance:**

More than \$11.7 billion has been paid out to National Flood Insurance Program (NFIP) policyholders. In comparison, NFIP had paid out just \$607 million in the 100 days following Hurricane Ivan, then the second-largest flood insurance event ever.

Providing The Resources Needed To Rebuild

The President Is Committed To Providing The Gulf Coast With The Resources Needed For A Full Recovery. Since Hurricane Katrina struck, more than \$70 billion has been made available for Gulf Coast hurricane recovery efforts through the FEMA Disaster Relief Fund, low-interest loans to local governments, flood insurance, and funding relief from cost-share requirements. Additional funds would be made available by legislation currently pending in the Senate, including the Administration's proposal to reallocate already appropriated funds to continue recovery and rebuilding in the region.

- **The President Hopes To Sign An Additional Recovery Package Into Law.** The Administration welcomes the recent bipartisan action in the Congress on the President's plan for recovery in the Gulf Coast, including the creation of the Gulf Opportunity Zone. The President urged Congress to finish work on recovery legislation based on his principles so that he can sign it into law -- and we can continue to move forward in rebuilding the Gulf Coast.

Focus On The Gulf Coast

The President Selected Donald Powell To Be The Coordinator Of Federal Support For The Gulf Coast's Recovery And Rebuilding And Established The Gulf Coast Recovery And Rebuilding Council.

Former Federal Deposit Insurance Corporation (FDIC) Chairman Donald Powell is the Administration's primary point of contact with State and local governments, the private sector, and community leaders on long-term recovery and rebuilding plans.

- **Powell Is Coordinating Federal Involvement In Support Of State And Local Officials In The Next Phase Of Recovery On Issues Ranging From Economic Development To Infrastructure Rebuilding.** He is responsible for developing specific goals and coordinating policies and programs for mid-term and long-term Federal recovery and rebuilding efforts. He reports to Department of Homeland Security Secretary Chertoff and makes recommendations to the President through Secretary Chertoff.
- **The Gulf Coast Recovery And Rebuilding Council Is Working On Policies To Support The Rebuilding Of The Gulf Coast.** The Council serves as a forum for the Coordinator and develops and reviews Administration policies in support of the rebuilding of the Gulf

Coast.

The Administration Has A Strong Presence In The Region. Since Hurricane Katrina struck, more than 60 Administration officials have made over 130 trips to communities in Louisiana, Mississippi, and Alabama that have been devastated by the storm, as well as states across the country that have welcomed evacuees from the Gulf Coast. More than 16,000 Federal personnel are currently deployed to help State and local officials with the recovery efforts related to the Gulf Coast hurricanes.

The President Has Called On All Americans To Help Those Affected By The Hurricanes. The President asked USA Freedom Corps to serve as a nationwide information clearinghouse, allowing individuals, businesses, schools, faith-based organizations, and other groups to connect with volunteer service opportunities in the Gulf Coast. To date, American companies and individuals have together donated nearly \$2.9 billion for relief, recovery, and reconstruction efforts. Former Presidents Bush and Clinton have led a private fundraising effort that has already received pledges of more than \$100 million to aid the Gulf Coast's recovery from Hurricane Katrina. Americans who want to contribute or volunteer in Gulf Coast can find more information at www.usafreedomcorps.gov.

Learning The Lessons Of Hurricane Katrina

The Government Will Learn The Lessons Of Hurricane Katrina. On September 15, when the President addressed the Nation from Jackson Square, he pledged that, "this government will learn the lessons of Katrina." He said we would review every action and make necessary changes so that the government is better prepared for any challenge of nature, or act of terror, that could threaten the United States.

- The President tasked his Homeland Security Advisor to lead a comprehensive lessons learned review and ordered every Cabinet Secretary to participate.

The President wants lessons learned, not finger-pointing. The President has made perfectly clear that he was not satisfied with the response to Hurricane Katrina, and he wants to be sure that we strengthen our response capability to make sure the government is both more efficient and more effective.

#

Return to this article at:

<http://www.whitehouse.gov/news/releases/2005/12/20051221-10.html>

 [CLICK HERE TO PRINT](#)