

**Congress of the United States**  
Washington, DC 20510

September 13, 2019

Mr. Daniel Kaniewski  
Acting Deputy Administrator, FEMA  
FEMA Headquarters  
500 C. Street N.W.  
Washington, D.C. 20472

Dear Mr. Kaniewski,

We write to support the City of Biloxi's second appeal of the Federal Emergency Management Agency (FEMA) decision to deobligate and deny funds for PW 11253, a project the agency approved nearly ten years ago to help the city of Biloxi recover from the devastation caused by Hurricane Katrina.

In 2018, FEMA deobligated \$8.8 million in project management expenses the agency had previously approved and even helped provide after Katrina. Additionally, FEMA denied Biloxi's request for \$6.7 million in funding to complete an ongoing reconstruction project that is estimated to take until December 2024 to complete.

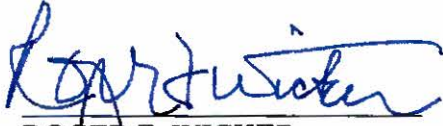
In correspondence (enclosed) dated August 27, 2019, the Mississippi Emergency Management Agency (MEMA) provided FEMA with a recommendation from the State of Mississippi supporting the City of Biloxi's second appeal of FEMA's decision to deobligate \$8.8 million in project management expenses. The State of Mississippi agrees with the City of Biloxi that the city met all of the criteria pursuant to Section 705 (c) of the Stafford Act. These criteria require that a grantee or subgrantee "shall not be liable for reimbursement or any other penalty for any payment made under this Act if (1) the payment was authorized by an approved agreement specifying the costs; (2) the costs were reasonable; and (3) the purpose of the grant was accomplished." We concur with MEMA's assessment that FEMA is statutorily prohibited from retroactively deobligating the costs, and support their recommendation that FEMA reinstate all costs.

In additional correspondence (enclosed) dated August 27, 2019, MEMA provided FEMA with a recommendation from the State of Mississippi supporting the City of Biloxi's second appeal of FEMA's decision to deny \$6.7 million of additional funding for Program Management (PM)/Resident Project Representative (RPR) and special services to complete PW 11253. We support MEMA's recommendation that FEMA "exercise its authority to approve the total reasonable PM/RPR and special services costs required to complete the underlying work" necessary to finish this vital infrastructure restoration project.

We strongly urge you to accept the State of Mississippi's recommendations. The City of Biloxi and the people in that community are still recovering nearly fifteen years after Katrina devastated the Gulf Coast. Recovery would not be and is not possible without the resources of the federal government and the hard work and dedication from FEMA and its staff. We believe the decision to deobligate \$8.8 million in already allocated funds and to disallow the \$6.7 million to complete PW11253 is unacceptable, and it should be reversed.

We encourage FEMA to change course on this matter and to grant the City of Biloxi's second appeal. We appreciate your attention to this matter, and will follow your progress closely.

Sincerely,



ROGER F. WICKER  
United States Senator



CINDY HYDE-SMITH  
United States Senator



STEVEN M. PALAZZO  
Member of Congress



BENNIE G. THOMPSON  
Member of Congress