

New Jersey lawmakers call for extension of FEMA's Sandy claims review deadline

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U.S. Sens. Bob Menendez and Cory Booker, and Reps. Frank Pallone, Bill Pascrell, Frank LoBiondo, Albio Sires, Leonard Lance, Donald Payne Jr., Rodney Frelinghuysen, Donald Norcross, Scott Garrett, Bonnie Watson Coleman, and Chris Smith Aug. 13 sent a letter to Federal Emergency Management Agency Administrator Craig Fugate requesting a three-month extension of the Sept.15 deadline for Sandy victims, who feel they were low-balled by their flood insurance, to opt-in to FEMA's Sandy Claims Review.

“It has been nearly three years since Sandy struck our shores, causing billions in damage and forever changing the lives of thousands of our neighbors,” the members of the New Jersey congressional delegation wrote. “Despite all of the missteps, delays, and mistakes, FEMA has an opportunity to bring some measure of justice to those affected.

“ We urge you to grant an extension and not to let arbitrary deadlines obscure your vision from the ultimate goal: fairness and a full recovery for all.”

The lawmakers argue that the current deadline is too short, noting initial confusion surrounding a potential duplication of benefits, which may have discouraged homeowners from signing up for the review, and that FEMA has already missed its own deadlines and only just stepped-up its outreach efforts.

“Extending the deadline to Dec. 15 would give Sandy victims the time necessary to understand this complex process and decide whether or not it is in their best interest to participate,” the letter states.

Below is the full text of the letter:

August 13, 2015

The Honorable Craig Fugate

Administrator

Federal Emergency Management Agency

U.S. Department of Homeland Security

500 C Street SW, Washington, DC 20472

Dear Administrator Fugate,

We are writing to respectfully urge you to provide a three-month extension to the deadline for Sandy victims to enter into the National Flood Insurance Program's (NFIP) Sandy Claims Review process. Extending the deadline to December 15th would give Sandy victims the time necessary to understand this complex process and decide whether or not it is in their best interest to participate.

As you know, the Federal Emergency Management Agency (FEMA) initiated the Sandy Claims Review after the practice of widespread underpayment of claims was initially exposed in a Senate hearing chaired by Senator Menendez and subsequently confirmed by New York Magistrate Judge Brown and investigative journalists. In the limited time the process has been open, confusion and the amorphous interpretation of rules, particularly

regarding substantial damage and duplication of benefit determinations, have caused significant hesitancy amongst prospective applicants. While we applaud FEMA's decision to allow Sandy survivors to reopen their claims, we are concerned that the current deadline of September 15th is too soon and could arbitrarily prevent deserving families from receiving relief.

Indeed, many survivors were reluctant to reopen their claim out of the fear that any additional funds recovered would simply be clawed back by the government. In addition, lack of clarity regarding how additional payouts would be considered in substantial damage determinations adds to the confusion and hesitancy. While we commend FEMA for waiving duplication of benefit claims on FEMA funds and clarifying that additional funds will not affect substantial damage determinations, the uncertainty surrounding Community Development Block Grant - Disaster Relief (CDBG-DR) financed grants has no doubt suppressed participation in the review.

In addition, FEMA's outreach efforts have only recently begun to match the scale of the need. Thousands of homeowners still have countless questions about what information they need to provide and how they need to proceed in order to get every penny they're entitled too. FEMA has recently stepped up its outreach efforts, but is still behind the curve due to a slow start in the initial days and weeks following the announcement.

Finally, FEMA has already missed its own self-imposed deadline to turn around reviews within 90 days as hundreds of homeowners have now waited over 110 days and still do not have their results, let alone a check in hand. Indeed, only a handful of Sandy victims have actually received their claims review check. We understand that the large influx of applicants creates challenges to process in a timely manner, but this same understanding and discretion should also be afforded to Sandy survivors.

It has been nearly three years since Sandy struck our shores, causing billions in damage and forever changing the lives of thousands of our neighbors. Despite all of the missteps, delays, and mistakes, FEMA has an opportunity to bring some measure of justice to those effected. We respectfully urge you to grant an extension and not to let arbitrary deadlines obscure your vision from the ultimate goal: fairness and a full recovery for all.