

Congress of the United States
Washington, DC 20515

August 21, 2019

The Honorable Ben Carson
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, SW
Washington, D.C. 20410

Dear Secretary Carson:

We write to request the immediate publication of a Federal Register Notice (FRN) detailing the administrative requirements for the disbursement of the \$8.3 billion in Community Development Block Grants for Disaster Recovery (CDBG-DR) appropriated for mitigation projects in Puerto Rico and \$774 million to the U.S. Virgin Islands. Given the Department of Housing and Urban Development's (HUD) recent decision to appoint a Federal Financial Monitor to oversee Puerto Rico's disaster funds, we see no reason to further delay the immediate publication of an FRN to begin the process towards disbursement of the aid.

In a recent background briefing,¹ senior officials at HUD announced the agency would soon be publishing an FRN for \$16 billion in CDBG-DR for disaster mitigation. While HUD officials noted that an FRN for a first tranche of funding for nine states would be published in the upcoming weeks, they failed to provide a specific timeline for the second tranche in which Puerto Rico and the U.S. Virgin Islands would be eligible. Furthermore, the appointment of a Federal Financial Monitor to oversee billions of dollars in CDBG-DR funding to potentially hundreds if not thousands of contractors and subcontractors could slow the already snail-like pace at which HUD is providing aid to Puerto Rico.

To that end, please provide answers to the following questions:

1. Please describe in detail the policy justifications for the appointment of a Federal Financial Monitor to oversee all HUD funding provided to the government of Puerto Rico and its subsidiaries.
2. Has HUD ever appointed a Federal Financial Monitor to any other U.S. jurisdiction receiving funding from the agency? If so, please describe the circumstances, length of appointment, and responsibilities and authorities of the monitor.
3. Will this monitor be a direct HUD hire or an external contractor?
 - a. What qualifications is HUD requiring for this appointment?
 - b. Which office at HUD will be responsible for managing the hiring process?
 - c. Will they have support staff assigned to them?
 - d. What party is responsible for compensating the monitor?

¹ U.S. Department of Housing and Urban Development (August 2, 2019). *Background Media briefing on use of funding for HUD's new Community Development Block Grant Disaster Mitigation Program (CDBG-Mitigation)*.

- e. Will the monitor have additional assignments besides Puerto Rico?
 - f. What will the monitor's role be in relation to the federally appointed Fiscal Oversight and Management Board?
4. Please provide a specific timeline on when HUD expects to publish a Federal Register Notice for the \$8.3 billion in mitigation funding for Puerto Rico and \$774 million to the U.S. Virgin Islands, including a timeline for the receipt and approval of an action plan, a grant agreement and the extension of a credit line to the island.

More than a year and a half after enactment of the Bipartisan Budget Act of 2018 (PL 115-123), it is unconscionable that HUD has failed to publish the FRN to disburse the CDBG-DR funds needed to help mitigate the potential effects of future disasters in Puerto Rico and the U.S. Virgin Islands. As we are currently in the middle of the 2019 hurricane season, this funding is more critical than ever given the extreme loss of life caused by Hurricanes Irma and Maria and the vulnerabilities to which Puerto Rico and the U.S. Virgin Islands are still exposed.

Thank you in advance for your attention to this matter.

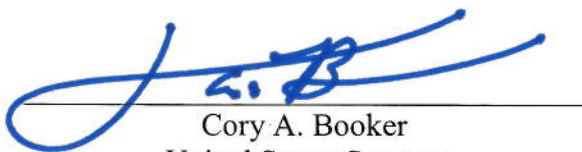
Sincerely,



Robert Menendez
United States Senator



Darren Soto
Member of Congress



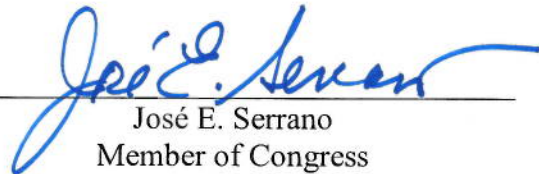
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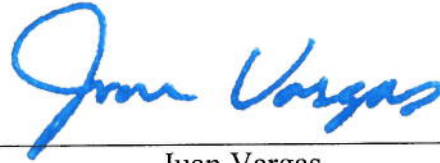
Bernard Sanders
United States Senator



Donna Shalala
Member of Congress



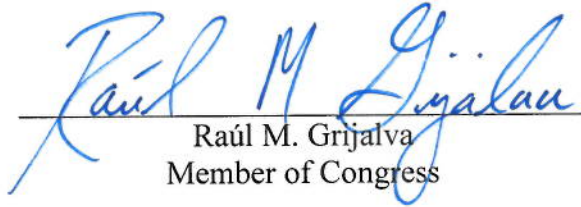
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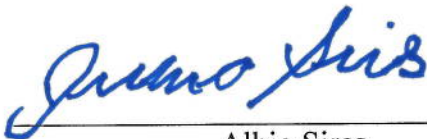
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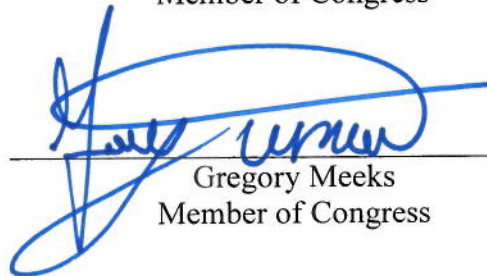
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Member of Congress



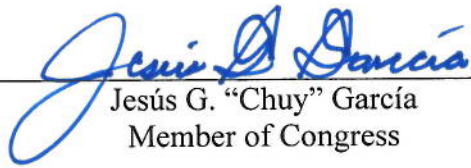
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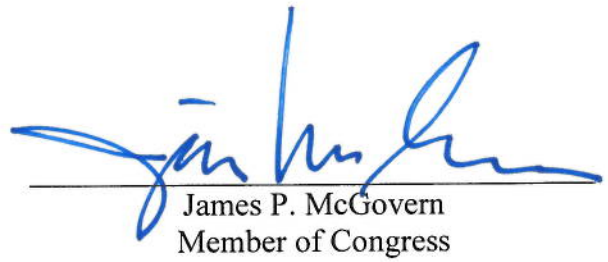


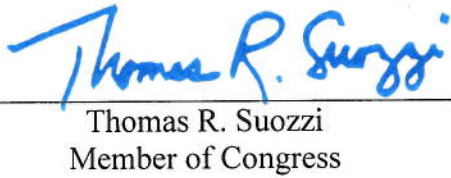
Albio Sires
Member of Congress

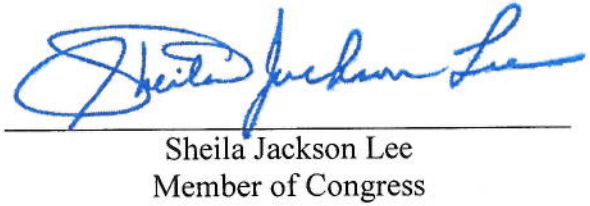


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