

Vast Majority of Sandy "Emergency" Funding Remains Unspent

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What a difference a year doesn't make.

In late January, three months after Superstorm Sandy slammed into the east coast, Congress passed the \$60 billion emergency sandy supplemental bill, <u>H.R. 152</u>, appropriating \$50.3 billion for relief and reconstruction efforts and adding \$9.7 billion to cover flood insurance claims. Passage came after months filled with policymakers pointing to the plight of residents hit hard by the storm and the need to quickly pass the legislation in order to prepare for the next big one. Yet, as TCS <u>noted</u> at the time, the final bill contained a number of provisions directing money to areas unaffected by Sandy or to projects that should have been funded through the normal appropriations process. Now that we've reached the one-year anniversary of Sandy's landfall, it's time to look at what's been spent.

A year after Sandy landed on shore, not only are most of the checks not written but for the bulk of the cash awarded most agencies haven't even figured out what they are buying.

Though members of Congress repeatedly expressed how urgent the need was for relief funds, federal agencies haven't demonstrated much urgency in disbursing the funds. Of the \$58 billion appropriated (sequestration chopped \$2 billion out) only 23 percent has been directed for a specific purpose ('obligated') and less than 11 percent has actually gone out the door ('outlayed'). Even when you leave out the roughly \$5 billion remaining in the disaster relief fund (DRF) that is available for other post-disaster needs, 74 percent of the Sandy funding remains unspent.

With each passing month, the Sandy spending increases, but money outlayed for disaster relief one year after the disaster is hardly emergency spending. Some agencies and departments are using up the appropriated funds at a faster rate than others though, perhaps indicating which agencies met the most urgent need for federal relief (See Figure-1).

Figure-1

Department/Agency	Appropriated (Post- Sequestration)	Obligated	% Obligated	Outlayed	% Outlayed
USDA	\$216,980,000	\$9,041,669	4.17%	\$2,328,482	1.07%
DOC	\$309,700,000	\$53,010,835	17.12%	\$1,621,267	0.52%
DOD	\$5,180,977,941	\$440,651,332	8.51%	\$140,182,501	2.71%
EPA	\$577,339,000	\$6,239,283	1.08%	\$333,938	0.06%
GSA	\$6,650,000	\$350,690	5.27%	\$118,646	1.78%
HHS	\$754,631,541	\$479,606,991	63.56%	\$319,430	0.04%
DHS	\$11,468,312,583	\$6,178,090,721	53.87%	\$4,293,777,723	37.44%
HUD	\$15,200,000,000	\$2,086,236,000	13.73%	\$134,996,463	0.89%
DOI	\$786,733,396	\$183,763,034	23.36%	\$47,260,246	6.01%
DOJ	\$20,022,188	\$9,415,450	47.03%	\$2,926,581	14.62%
DOL	\$23,746,622	\$22,571,996	95.05%	\$7,091,803	29.86%
Legal Services Corporation	\$950,000	\$0	0.00%	\$0	0.00%
NASA	\$14,250,000	\$11,340,000	79.58%	\$0	0.00%
Small Business Association	\$759,050,000	\$235,231,415	30.99%	\$152,257,566	20.06%
Smithsonian	\$1,900,000	\$1,730,576	91.08%	\$181,491	9.55%
SSA	\$2,000,000	\$1,021,372	51.07%	\$905,661	45.28%
DOT	\$12,410,800,000	\$1,284,440,000	10.35%	\$374,025,662	3.01%
DVA	\$235,631,000	\$26,969,657	11.45%	\$18,806,055	7.98%
Funding for Inspectors General and Transfer Amounts	\$15,700,000	\$0	0.00%	\$0	0.00%
Totals	\$47,985,374,271	\$11,029,711,021	22.99%	\$5,177,133,515	10.79%

It's also been difficult to determine exactly where the money is being spent. And not just for us. In the wake of the Sandy supplemental, the watchdog of the 2009 stimulus bill, the Recovery Act Transparency (RAT) board, was tasked with oversight of the money. The board's reports were an invaluable tool for tracking the stimulus money. But for Sandy spending, they are hamstrung. Since lawmakers didn't give them the power to compel agencies to disclose their information; they can't even force them all to tag the spending as Sandy related. When agencies did document their Sandy spending, they didn't always note what it was spent on (See Figure-2). Our own database of Sandy spending compiled using the Federal Procurement Data System can be seen here.

Figure-2

Department Name	Agency Name	Dollars Obligated	Product or Service Category	Product or Service Description
DOT	FAA	\$180,000.00	R&D- Defense Other: Construction	"Hurricane Sandy Relief"
DHS	FEMA	\$474,942.45	Architect and Engineering-General: Other	"Sandy"
DHS	FEMA	\$9,595,954.66	Architect and Engineering-General: Other	[None]
DHS	FEMA	\$18,188.67	Architect and Engineering-General: Other	[None]
Unlike almost all of the documented Sandy spending, these contracts lacked a description of the projects for which the money was being spent.				

And the dismal results are clear. The spending data, scattered across multiple online platforms, does indicate that some of the spending was waste (separate from the hundreds of thousands spent on porta potties) some was spent on projects that have little to do with Superstorm Sandy and should have been funded through the normal budget process—see Figures 3,4.

Figure-3

Department Name	Agency Name	Dollars Obligated	Product or Service Description	
NASA	NASA	\$2,508,145.28	Kennedy Space Center sand dune repairs*	
DOI	USGS	\$32,472.19	A new boat**	
DOI	NPS	\$3,757.50 New GPS units**		
DOI	NPS	\$28,096.80	An electric car**	
DOI	NPS	\$17,000.00	New UTV**	
DOI	NPS	\$7,078.55	New mountain bikes and accessories for police**	
DOI	NPS	\$159,169.68	Design services for Miller Field rehabilitation***	
DOI	NPS	\$67,848.84	New lawnmowers and attachments**	
DOI	NPS	\$4,166.20	Picnic tables and fire rings**	
DOI	FWS	\$18,734.70	Wildflower and grass seeds	
DOT	FHWA	\$11,845.00	Perform drilling operations and laboratory tests for a proposed lighthouse dock	
DHS	FEMA	\$2,013.12	Hypoallergenic pillows	
DHS	FEMA	\$2,000.00 Media monitoring services		
DVA	DVA	\$65,146.59 Floor polishers and vacuum clea equipment		
DHS	FEMA	\$67,500.00	\$67,500.00 EZ Passes for FEMA surge vehicles pay NY tolls	
*The Kennedy Space Center in Florida was largely unaffected by Sandy				
**Unlike other Sandy expenditures for equipment (including other boats, UTVs, lawnmowers, etc.) these items were not designated as replacements for damaged inventory.				
***Separate from the \$844,291 spent on the Miller Field sports fields repair, turfgrass rehabilitation, and revegitation				

Figure-4

Department Name	Agency Name	Dollars Obligated	Product or Service Description
DOI	FWS	\$145,644.37	Pre-design investigative services for solar photovoltaic systems [Solar panels]
DHS	USCG	\$269,223.00	Waterfront improvements
DOC	NOAA	\$149,999.00	Meteorological instruments: microwave profiler

This needs to change. Part of the problem is agencies need to giddy up. Local and state governments have followed the rules and met the needs of rebuilding infrastructure or otherwise deploying resources. Now the federal government needs to hold up their end of the bargain and give the cash to those who followed the rules.

A year removed from Sandy, we see it was not just the second most costly natural disaster but a prime example of what's wrong with national disaster policy. Despite claims of poverty and need, the slow walk of delivering the aid shows this is a great example of Washington's penchant to use an event, even a natural disaster which evokes the natural inclination to help, as a political opportunity to garner taxpayer cash for pet projects. Also, disaster spending should come with strings to ensure communities plan for the inevitable disasters of the future. We don't know where and when, but we do know these disasters are going to occur.

Superstorm Sandy and the experience with the supplemental funding should be a wakeup call for the need to change how we respond to and prepare for disasters. Every dime we spend on disaster recovery should ensure that we don't have to spend that same dime again in the future.

Here is TCS's <u>Disaster Reforms for Resiliency</u>.

Glossary			
DHS	Department of Homeland Security	FWS	Fish & Wildlife Service
DOC	Department of Commerce	GSA	General Services Administration
DOD	Department of Defense	HHS	Department of Health & Human Services
DOI	Department of the Interior	HUD	Department of Housing and Urban Development
DOJ	Department of Justice	NASA	National Aeronautics and Space Administration
DOL	Department of Labor	NOAA	National Oceanic and Atmospheric Administration
DOT	Department of Transportation	NPS	National Park Service
DVA	Department of Veteran Affairs	SSA	Social Security Administration
EPA	Environmental Protection Agency	USCG	U.S. Coast Guard
FAA	Federal Aviation Administration	USDA	U.S. Department of Agriculture
FEMA	Federal Emergency Management Agency	USGS	U.S. Geological Survey
FHWA	Federal Highway Administration		