

**Congress of the United States**  
**Washington, DC 20515**

August 2, 2012

The Honorable Janet Napolitano  
Secretary  
U.S. Department of Homeland Security  
301 7<sup>th</sup> Street SW  
Washington, DC 20528

The Honorable Rafael Borrás  
Under Secretary for Management  
U.S. Department of Homeland Security  
301 7<sup>th</sup> Street SW  
Washington, DC 20528

Dear Secretary Napolitano and Under Secretary Borrás,

We fully support the recent memo sent by Administrator Fugate to the Acting Homeland Security Inspector General Charles Edwards regarding the report DD-12-17, "Decisions to Replace Rather than Repair Buildings at the University of Iowa." While we support the need for further clarification of FEMA's "50 percent rule," as does Administrator Fugate, we strongly agree with the Administrator that the University of Iowa should not be caught in the middle of an internal dispute over interpretation of FEMA policy.

FEMA raises a number of pertinent points, and while rightly pledging to work with the OIG to address concerns over its policy, it disagrees with the OIG Report's recommendations to deobligate \$75.4 million of replacement assistance and to suspend the replacement of the Hancher-Voxman-Clapp (HVC) and Art Building East (ABE) buildings on the University of Iowa Campus. As the memo states, "We do not think OIG's retrospective interpretation of FEMA policy here...can fairly serve as the basis for deobligation."

The University of Iowa has already expended over \$20 million towards the construction of new facilities since these funds were awarded nearly three years ago. Additionally, deobligating funds doom these severely dilapidated facilities to be rebuilt in a floodplain. Expending millions of local and federal dollars to repair severely damaged buildings that will undoubtedly flood again is neither in the interests of the University of Iowa nor those of the taxpayers. Furthermore, if the buildings are simply repaired, costs are likely to rise since the old buildings have not been fully climate controlled.

While FEMA's implementing regulations for the "50 percent rule" do not specifically detail the timing and the methods of estimating costs for deciding whether or not facilities meet the rule, FEMA has clarified this issue through additional Agency policy. That policy was properly followed by the FEMA region after consultation with FEMA headquarters.

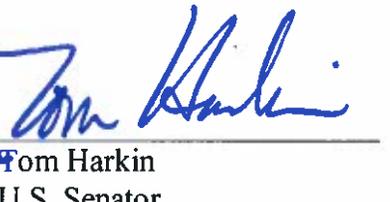
FEMA is making a reasonable and common-sense effort to address concerns raised in the OIG's report about the policy while also treating the University of Iowa fairly. The University, its students, and the community are an innocent party with no role in writing or interpreting FEMA policy, and substantively replacing the buildings is the correct policy.

We hope to meet with you in the future to discuss this important matter and look forward to further highlighting the need to ensure the University of Iowa and the Eastern Iowa economy is not harmed as a result of an internal government dispute. We ask you to affirm FEMA's decision to replace these important facilities if the Inspector General appeals the Administrator's action.

Sincerely,

  
Dave Loebsack  
U.S. Representative

  
Charles Grassley  
U.S. Senator

  
Tom Harkin  
U.S. Senator