

Abbott weathering political storms in addition to natural disasters

By Mike Ward

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AUSTIN – Six weeks after Hurricane Harvey blasted the Texas coast and dumped epic rainfall on Houston, Port Arthur and Beaumont, Gov. Greg Abbott has weathered several storms of his own in Washington, the city that he and the powers that be in Austin have pilloried for years.

The latest was a rebuff of his request for \$18.7 billion in funds earmarked specifically for rebuilding Texas, separate and apart from the \$15.25 billion that Congress approved in September as a down payment to start the recovery process -- along with an agreement by President Donald Trump for Texas to get a greater share of federal disaster assistance funds than other states.

With Texas damages expected to eventually top \$150 billion, Abbott has made it clear he intends to press Washington as hard as he can to pay for as much as the feds can, as quickly as possible.

"The quicker you can get federal money, the quicker you can get things rebuilt -- that's the general rule," said Dale Craymer, president of the Texas Taxpayers and Research Association that monitors state spending patterns.

"And if you can get the federal government to pay for something they otherwise wouldn't, then all the better. Because that's money that state and local government's don't have to come up with."

So far, the Texas recovery appears to be on par with other states after similar hurricane disasters. State officials, though, would like to see the money flowing more quickly.

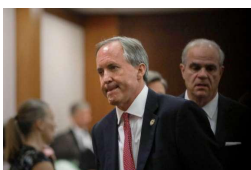
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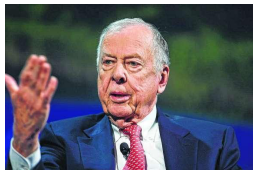
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But in the end, officials contend, Texas stands to collect a record level of federal assistance for its recovery from Harvey -- perhaps up to 90 percent of the total recovery costs -- meaning that the state may not have to tap into its savings account, the so-called Rainy Day Fund, as much as some lawmakers initially predicted.

'We're all in'

In Texas, the play for federal funds began in late August as Harvey roared toward the Gulf coast.

Abbott and top aides and state emergency officials huddled in a windowless conference room deep inside in the state's emergency-operations bunker in north Austin to devise a recovery plan that would get Texas back on its feet quickly. The goal was to avoid the lingering bureaucratic missteps that followed Hurricane Katrina in 2005.

This pitch quickly emerged: Texas effectively got hit by three storms, not just one. Harvey had come ashore twice, and also created a separate flood event that had inundated much of Houston and East Texas under floodwaters worthy of Noah's Ark.

Do you want to do the Texas recovery on the cheap? Or do you want to get the nation's second-largest state economy back online much faster to keep it from becoming a drag on the U.S. economy?

According to a top Abbott aide, the answer from White House Chief of Staff John F. Kelly, just as Harvey made landfall, was clear and concise: We're all in. What do you need?

Within days, after a series of phone calls between Abbott and his top aides and their counterparts in the White House, Trump approved an aid package that would reimburse Texas for 100 percent of its immediate emergency disaster measures for the first 30 days after Harvey hit, including overtime for first responders. Washington also would provide 90 percent funding for other federally

assisted recovery efforts after that, with the state paying just 10 percent, under that agreement.

The usual split was 75-25.

A spokesman for the Federal Emergency Management Agency in Washington said the special split for Texas was "due to the severity and magnitude of the damage resulting from Hurricane Harvey" in the state.

A 90-10 split was last authorized in Louisiana flooding in 2016, the official said. And Trump later approved a similar split for Florida for debris removal, for just 30 days, after Hurricane Maria hit.

Along the 350-mile swath of the Texas coast devastated by Harvey's winds and the subsequent flooding, disaster relief quickly turned to recovery efforts. Working with Texas' congressional delegation and White House officials in Washington, a initial appropriation for emergency aid of \$15.25 billion was approved by the U.S. Senate on

Sept. 7, including \$7.4 billion for disaster relief through FEMA, \$7.4 billion for community block grant and \$450 million for small business loans.

It was just a down-payment.

"The funding already appropriated is a small fraction of the federal resources needed to help rebuild Texas and reinvigorate the American economy," Abbott and Texas' congressional delegation said in a letter a month later seeking an additional \$18.7 billion for longer-term recovery funding through U.S. Army Corps of Engineers. The funds would go toward community development block grants, to repair schools and transportation infrastructure and for Small Business Administration disaster loans, among other initiatives.

'Stiff spine'

Last week, just a day before the U.S. House was to approve what Abbott thought would be Texas' second disaster-recovery appropriation, House leaders expanded it to include funding for Puerto Rico and Florida, both hard hit by Hurricane Maria, plus victims of Hurricanes Irma and Nate and wildfires in California. Though the total funding package grew to \$36.5 billion, none of the money was specifically earmarked for the Harvey victims in Texas.

Uncharacteristically, Abbott fumed publicly, demanding that Texas' congressional delegation should get a "stiff spine" vote against the bill. He suggested Texas' 36-member delegation was getting "rolled" on their funding request for Texas.

After the House approved the revised measure 353-69, Abbott issued a statement saying he had been assured by House leaders "that as soon as November, Texas will get the disaster assistance funding we're requesting for Army Corps of Engineers projects, Community Development Block Grants, and funding for dredging Texas ports, expanding bayous and critical flood mitigation projects, among other priorities."

"The governor will hold House leadership to that promise on behalf of Texans whose lives were devastated by Hurricane Harvey," he said at the time.

In recent days, U.S. Sen. John Cornyn, the second-ranking senator, has said work is underway for another allocation specifically to

Texas, though no amount of date has been revealed.

The full court press from Texas was evident in published reports Friday that Cornyn was holding up the confirmation of a controversial White House budget official, Russell Vought, until more disaster aid is approved for Texas. The senator tweeted earlier in the day about the need for the federal Office of Management and Budget to "satisfy Texas's needs IDed by @GovAbbott @tedcruz & ME."

Through a spokesman, Cornyn said he "has no concerns with this nominee personally and has been supportive of him to date. However, promises were made from OMB to fully support Texans as they continue to recover from Hurricane Harvey and he's going to make sure those promises are kept."

Also on Friday, Cornyn and U.S. Sen. Ted Cruz of Texas announced that HUD officials have authorized an initial \$57.8 million in disaster recovery grants to help Texas rebuild from Harvey, while the state waits for HUD to divide the \$7.4 billion Congress appropriated last month between areas affected by hurricanes Harvey, Irma and Maria.

Abbott, who has remained mum on the Washington funding push since last week's public blowup, applauded Friday's announcement of the HUD funding and suggested through a spokesman that the push for more money continues. "Governor Abbott

has and will continue to work with the Texas' delegation in Washington to get the necessary aid to Texans who lost everything," said Ciara Matthews, Abbott's deputy communications director.

On Tuesday the budget-writing Senate Finance Committee has scheduled a public hearing in Austin to review federal disaster funding and examine what effect Harvey could have on the state budget in 2019, highlighting Abbott's push for the continued funding stream from Washington.

For comparison, after Hurricane Katrina blasted New Orleans in late August 2005, more than \$62 billion in aid was approved within a few weeks. By December, tens of billions more were approved for recovery and rebuilding in Louisiana and four other affected states, including Texas.

Amy Liu, a Brookings Institution expert on rebuilding devastated cities after catastrophic storms, said the key to a fast recovery is federal recovery funds, not just initial emergency assistance from FEMA.

"My experience is that the markets hold back until the federal funding comes," she said by phone from her Washington office, echoing the sentiments of other experts. "The apartment developers, the homeowners, the banks investing in projects, they need to know that their investments will be protected ... They

want to see a commitment that the community is coming back."

As for Texas after Harvey, she said Abbott's approval of the 90-10 split on disaster and recovery funding is a win for state taxpayers. And the push for fast approval of federal recovery funds is a normal part of the process.

"That's because the actual rebuilding process comes from future supplementals (appropriations from Congress)," not the initial disaster funding, she said. "The real rebuilding of neighborhoods comes from the Army Corps of Engineers and (U.S. Department of Housing and Urban Development) and other agencies, not FEMA."



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