

SENATE RESOLUTION NO. 53

BY SENATOR PETERSON

A RESOLUTION

To direct the office of community development to follow certain recommendations of the legislative auditor and the Department of Housing and Urban Development, office of inspector general.

WHEREAS, the legislative auditor recommends the office of community development finalize its proposed "action plan" amendments and formally submit them to the Department of Housing and Urban Development (HUD) for approval; and

WHEREAS, the legislative auditor also recommends that the office of community development continue to identify recipients who have not provided adequate evidence of compliance with covenants to either the office of community development or disaster recovery unit; and

WHEREAS, the Hazard Mitigation Grant Program agreement between the Federal Emergency Management Agency and the state requires the office of community development pursue recovery of assistance provided to applicants through error, misappropriation, fraud, or if the state finds that the recipient misappropriated the funds inappropriately; and

WHEREAS, the legislative auditor recommends that the office of community development conduct an expeditious review of all awards identified for potential recovery and those determined to be ineligible; and

WHEREAS, it is further recommended that the office of community development obtain and review supporting construction documentation to ensure all transactions charged by contractors are justified and performed prior to approving applicant reimbursement; and

WHEREAS, additionally, the legislative auditor recommends that the office of community development review payments already made to applicants to obtain additional supporting documentation where necessary to verify funds were used in compliance with the grant; and

WHEREAS, if it is found that funds were inappropriately used, the office of community development should pursue recoupment of funds from the recipient; and

WHEREAS, HUD's office of inspector general recommends that the office of community development enforce program remedies and recovery procedures for noncompliance as stated in the grant agreement, including but not limited to the recovery of \$437.3 million in elevation grant funds that were allocated to fifteen thousand twenty-seven homeowners who did not elevate their homes within three years in accordance with the terms of the grant funds; and

WHEREAS, HUD's office of inspector general also recommends that the office of community development verify that the homeowners, who received grant funds but did not respond to the monitoring survey, in fact used the funds to elevate their homes; and

WHEREAS, if it is found that funds were not used for home elevation, the office of community development should pursue recoupment of funds from the recipient; and

WHEREAS, HUD's office of inspector general further recommends that the office of community development reimburse the uncollectible elevation grant funds from nonfederal funds.

THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana does hereby direct the office of community development to comply with the recommendations of the legislative auditor and HUD's office of inspector general.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the appropriate person in the division of administration's office of community development, the legislative auditor's office, and HUD's office of inspector general.

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PRESIDENT OF THE SENATE