

News
From _____

CONGRESSMAN

Nick Rahall

WEST VIRGINIA-4th DISTRICT

FOR IMMEDIATE RELEASE

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Washington D.C. --- U.S. Representative Nick J. Rahall (D-4th), said that progress is being made in the flood relief operation, "but there is still a lot of work to be done."

Rahall pointed out that his number one priority is to see the interest rates on disaster relief loans reduced to 3%. "The prospects for my bill, HR 6567, are looking much better," Rahall observed. "The House Small Business Committee has sent staff members into southern West Virginia, to see first-hand the economic hardship many of the flood victims are facing." "Oh."

Rahall also has received assurances from Committee Chairman Neal Smith, (D-Iowa), that hearings will be held soon on lowering Small Business loan interest rates.

Earlier this week on the House floor, Congressman Rahall urged his colleagues to support HR 6567, and inserted into the Congressional Record, an article that appeared in the May 1 edition of the Washington Post. (ATTACHED)

"The Post story," Rahall stated, "describes the delays and frustrations experienced by the flood victims throughout the Appalachian region." Rahall went on to say, "I want every Member of Congress to know what is going on at the present time in southern West Virginia, because no one can ever be assured that a similar disaster will not occur in their area."

In regards to the visit of Secretary of HUD, Patricia Harris and Chip Carter, Congressman Rahall observed, "I was pleased with the trip, and some positive results have already come about since, Secretary Harris intends to send additional staff personnel into the flood area."

Rahall accompanied both Harris and Carter on their visit, beginning in Williamson.

"From my discussions with Chip Carter," Rahall related, "I am hopeful that the President will extend his backing to HR 6567, because I feel safe to say that Chip did report back to his father on what he saw."

Gov. Jay Rockefeller has sent a letter to the President in support of Congressman Rahall's measure.

Rahall also said he was encouraged by Sec. Harris' desire to work closely with local officials in the future.



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FLOOD VICTIMS BITTER OVER DELAYS IN U.S. AID

(Mr. RAHALL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RAHALL. Mr. Speaker, as many of the Members have read in the Washington Post on Sunday, West Virginia is in dire need of your help in passing H.R. 6567 to amend the Small Business Act temporarily which is before the Small Business Committee. My bill has the following three temporary provisions.

First. Lowers the interest rate from 6½ to 3 percent.

Second. Provides for a "forgiveness clause" which provides for \$5,000 and 1 percent interest on the remaining amount of the loan; and

Third. Provides for a grant for the elderly which are on disability or limited income.

I would like to have the Post article included so the Members have a better understanding of the flood problem.

The article is as follows:

FLOOD VICTIMS BITTER OVER DELAYS IN U.S. AID

(By Bill Peterson)

WILLIAMSON, W. Va.—Everywhere you turn up and down the Tug Fork Valley, there are homes broken in half, empty store fronts, water-soaked furniture piled along roadsides, slimy gray mud, and anger.

It has been almost a month now since the waters of the Tug broke over their banks, causing the worst flood in the region's history and driving 2,100 families from their homes on the West Virginia side of the river alone. Yet it looks like the flood happened only days ago.

Destruction and human despair are nothing new to this Appalachian valley. Floods, coal mining, poverty, and neglect have taken a heavy toll on its land and people before.

This time, the enemy is deemed a new one—the very people who were sent into the area to help it. "This is the worst federal recovery effort that I've ever seen," said Frank Tsutras, director of the Congressional Rural Caucus. "It's been a case of bureaucracy at its worst."

The statistics alone are devastating. As of Friday, 26 days after the flood, only 85 of the 2,100 eligible families in West Virginia had been placed in temporary trailer houses and campers. Only 37 of the 95 applications for small business loans had been approved. Only five of the 3,481 applicants for individual and family assistance had been approved.

Recovery efforts, hamstrung by what some see as bureaucratic bumbling and mountainous terrain, have moved at a snail's pace. Now, even hometown boosters are estimating that it will be five years—if ever—before Williamson, which boasts of being "the center of a billion dollar coalfield," returns to normal.

Indeed, the recovery effort—which has already cost the federal government \$27 million—at times looked like something out of an old Keystone Kops movie. At one point, for instance, local officials became so frustrated in trying to reach U.S. Department of Housing and Urban Development officials that they threatened them with arrest to get them to come to a meeting.

As of Thursday, 25 persons were still sleeping unprotected or in the cramped back seats of their cars on a barren ridge above what was the tiny coal camp of Lobata, about 10 miles south of here. The only housing assistance that they had received were six broken-down cots they borrowed from national guardsmen. They cooked their meals over camp stoves or open fires.

"They did bring in free hot food at first, but that all quit when the National Guard left. Mostly, I eat apples and oranges," Robert Moore, a father of nine who has lived on the

ridge for more than three weeks, said the other day in a driving drizzle. "We don't know when we'll get some place to live. We've been lied to so much we don't believe anything anymore. Every day someone different comes around here. One tells you one thing. The next tells you something else. You don't know what to do."

His friend, Ike Johnson, who lost a nine-room house in the flood, kicked the dirt as Moore spoke. "We'd like to preach some funerals of the big shots in Washington running this thing. They sit up there with their big cigars and we don't get nothing," he said. "I tell you, this wouldn't happen if we were someplace overseas. The government gives Turkey and Guatemala millions when something like this happens and we don't get a damn thing."

Johnson and Moore are disabled miners, who normally don't have much in common with the business and social elite of Mingo County. Their frustrations with the bureaucracy, however, are echoed by many of the business and local officials who have dealt with recovery officials.

Frank DeMartino, managing director of the local chamber of commerce, for instance, says his group is considering filing a class action suit against the U.S. Army Corps of Engineers and the Federal Disaster Assistance Administration.

The corps, which local officials have pressured to build flood protection around Williamson for 30 years, is described by DeMartino as "the most poorly managed agency in government." It kept telling people that there was no danger of a flood right up to the time the flood occurred, he said. "The FDAA," he said, "is supposed to be the umbrella disaster agency, but I've never seen such a disorganized thing in my life... By the time they got off the ground, three weeks had passed."

The flood swept across the Tug Valley and wide sections of Appalachian Virginia, Kentucky and Tennessee on April 4, destroying or damaging 18,000 homes and 1,600 businesses by Red Cross estimates. A quarter of a million families suffered major property loss.

The Tug Valley was not declared a national disaster area, making it eligible for federal assistance, until three days later. The delay led to widespread feelings that officials in Charleston and Washington underestimated the severity of the flood.

"It all started too slow. People suffered. They had lost their homes and everything they owned. They were without food and clothing," said Robert McCoy Jr., mayor of Matewan, W. Va., a town of 1,200 that lost half of its homes and almost every business.

When disaster assistance centers opened, flood victims found themselves waiting in lines for two full days and getting conflicting advice. "It's the little guys who suffered most," McCoy said. "You can't imagine the mental anguish you go through when you've lost everything. People couldn't understand the red tape and the bureaucracy. It caused a great deal of unrest."

The most persistent criticism of the recovery effort was that there was a lack of policy-making leadership—especially on the federal level—on the scene in the crucial days after the flood.

FDAA, for instance, set up its West Virginia flood headquarters in Bluefield, a three-to four-hour drive from Williamson over some of the worst roads in America. It put its Kentucky headquarters in London, a five-hour drive from the Kentucky side of the Tug. This is the equivalent in driving time to setting up headquarters in Pittsburgh, or Trenton, N.J., if a disaster occurred in Rockville, Md.

HUD put a headquarters in Bluefield and Charleston, two hours away. The official reason, according to a HUD spokesman, was the

agency couldn't find office and lodging space in Williamson. Local officials looked at it differently. "They wanted to stay in Holiday Inns and we don't have any here," one said. Communications problems were probably inevitable.

G. L. (Jerry) Chafin, a Mingo County commissioner appointed to coordinate local recovery efforts, said he was unable to get basic information about federal aid from FDAA in Bluefield because persons there would not return his phone calls until he complained to the White House. Then, cooperation improved, he said.

HUD was another matter, however. The agency is almost universally condemned in the flood areas. As of Friday, an official spokesman in Washington said it had 1,000 employees under its jurisdiction in the four-state flood area, but had placed only 85 of the 7,098 families still homeless by the flood in emergency housing.

"We couldn't even get HUD in here to sit down and talk," Chafin said. "We tried for a week and a half. Their field people were causing us all sorts of problems. The state health people would go into an area and condemn homes, but HUD was going back in these same places and telling homeowners, 'we can give you money to fix it up.'"

Finally, he said, a National Guard general told him, "I'll give you troopers and shackles and you bring them (the federal officials) in." Chafin said he then called the top HUD officials in the state and told him, "By God, if you don't get someone here, I'm going to have you arrested." It wasn't a threat. It was a promise.

HUD sent two low level officials to the meeting, he said. "But they told us they didn't have the authority to cooperate with us."

All this could be overlooked as black humor if it were not for the seriousness of conditions in the area, and the legacy of decades of neglect in the central Appalachian region, one of the nation's poorest and most isolated areas.

The flood laid bare in the most vivid terms in a decade the unresolved problems of the region: its susceptibility to the whims of nature; the shackles that corporate ownership has put on the area (80 per cent) of the land in Mingo County is owned by four corporations); the long-term effects of strip mining, which many believe was a major cause of the flood; its scandalously poor housing; and the fact that many of its people are either too old or infirm to care for themselves.

An official statement drafted by top HUD officials in Washington Friday, denied the agency had been slow to respond to the disaster or negligent in cooperating with local officials. The only thing it acknowledged was that "because of widespread nature of the disaster, inexperienced personnel may have been in supervisory positions in some areas."

Thomas P. Dunne, FDAA administrator, said in an interview that in the days after a disaster, federal officials are often lambasted only to be showered with praise and plaques later.

"I'd say over all, the federal government working with the state is doing as well as can be expected under the circumstances," he said. "I share the frustrations that local people have had, but over all things have gone well."

Unofficially, however, federal agencies have begun a rear guard action in a belated attempt to quell criticism. The day after an NBC television report from Burnwell, Ky., one of the flood areas, five federally owned emergency trailers suddenly appeared, and one field worker told local residents that "the heat is on from Washington." The following day a wave of top level FDAA and HUD officials from Washington began arriving in Tug Valley.

If this signals a change, it will be none to soon for Robert McCoy, a 63-year-old retired

miner, or the other 30 families of Burnwell. McCoy has been watching the government work all week, and he has a few things he would like to tell Jimmy Carter about it.

First, it doesn't work very fast. Second, it never does one thing, or sends one man when two or three will do as well. Third, it seems to have forgotten nearly everyone in his community, which is made up almost entirely of descendants of the McCoy's who battled the Hatfields across the river in the legendary feud that first brought this area to the nation's attention.

As late as Thursday, for instance, it had not been visited by a state health official to determine if water is safe to drink, or if the flood-soaked homes in the area are a health hazard.

"This is a forgotten place over here," McCoy said.

He and his son were the first people in Burnwell to receive a HUD house trailer for emergency housing. A crew brought it a week ago. Last Monday, another crew came to put concrete blocks under it. On Wednesday, a third crew brought a set of wood steps and set it beside the flimsy used trailer. On Friday, a fourth crew was supposed to come and hook up the electricity. And then some time this week more crews are supposed to hook up the water and sewer.

Meanwhile, McCoy can't move in. "They tell me it may be the end of next week before they'll get me in," he said Thursday. "I've never seen anything like it. The other day, I was about ready to tell them I don't want to fool with them anymore."

Many of the residents of Burnwell, who barely escaped the floodwaters and spent two days in the McCoy family cemetery on a hillside before they were rescued, have already given up on federal help. Bogar McCoy, Robert's brother, has already gone out and bought a trailer of his own. So has Don McCoy, a father of two, and others are thinking about it.

"All this dumb red tape stuff you have to go through is incredible," says another resident, Joan Carr, a college art teacher. "People have no transportation (many of their cars were lost in the flood). They have no homes, no clothes, and they have to mess around for weeks getting help."

One group, the Tug Valley Recovery Center, which has been feeding hundreds of people daily for weeks, called a work stoppage last Monday to demonstrate the community's displeasure with recovery efforts and plans a lobbying trip to Washington.

It has also been extremely critical of West Virginia's two senators, Senate Majority Leader Robert Byrd and Jennings Randolph, chairman of the Senate Public Works Committee. "Byrd gave us the bird," one placard said during Monday's protest.

Outwardly, the area's future should be booming. It's hills contain some of the richest veins of coal in the world, and President Carter's energy policy banks on coal as the nation's chief energy resource in years to come.

But even before the flood, this area had a severe housing shortage, widespread poverty, little industry, and terrible roads.

There is a great fear that the flimsy trailers that HUD is bringing into the area will never leave, and the county will be swamped with "tin can" housing. This happened after a flash flood killed 125 persons at Buffalo Creek, W. Va., 40 miles away, five years ago.

There is an equally serious fear that many local businesses will have great difficulty bouncing back. Many lacked flood insurance, and fear they will be unable to repay the 6% per cent interest rate now in force in Small Business Administration disaster loans. Others fear another flood.

Already, one factory, West Virginia Armature has pulled out of Williamson, a town of 8,000. The Booknook bookstore has announced it won't reopen, and Ralph Farmer,

general manager of Citizens Motors, the local Plymouth-Chrysler agency, says there is "90 per cent chance we'll close."

Upstream on the Tug in Matewan, the flood put every business in town, except one, out of commission, destroyed 70 homes, a brand new health clinic, and the town's sewer and water system.

"We're still in shock," Mayor McCoy said. "In a week or so all the disaster people will be gone, but we'll be left with the real long-term problems."