

ROBERT P. SCHUSTER, P.C.
ATTORNEY AT LAW

October 19, 2004

Via Regular Mail

Inspector General Clark Kent Ervin
U.S. Department of Homeland Security
Washington, D.C. 20528

Dear Mr. Ervin:

I write this letter on behalf of Steve Kanstoroom.

I am quite concerned about comments made by Mr. Eric Banks---Assistant General Counsel---to Mr. Kanstoroom. On August 25, 2004, Mr. Banks called Mr. Kanstoroom on his cell phone. Mr. Kanstoroom requested that the call be returned on a "land line"---and Mr. Banks complied. As you may be aware, Mr. Kanstoroom was in a conference room working with a CBS affiliate at the time and asked permission to place the call on the speaker. Mr. Banks assented. Mr. Kanstoroom also asked for and received permission from Mr. Banks to record the call. CBS obliged by making a videotape recording. It is Mr. Kanstoroom's understanding that Mr. Banks was accompanied on the telephone call by his paralegal.

It is my understanding that the call focused on documents Mr. Kanstoroom had received from government whistleblowers and persons unknown to him. It is also my understanding that the emailed government documents were quite revelatory, apparently concerning various issues:

- They discussed mismanagement and alleged wrongdoing on the part of the Federal Emergency Management Agency and its insurance partners and vendors.
- The management issues are transcendent. Left unchecked, the mismanagement seriously impacts victims in regard to claims arising from the recent hurricanes in the South.
- The documents have relevance to apparent wrongdoing within the DHS Inspector General's Office.

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- The documents are also worrisome in that they may concern information regarding large sums of money which appear to be missing or wrongly moved from FEMA.

The subject matters of the documents, accordingly, are very significant. The hurricanes over the past years—including the most recent ones—have been extraordinarily devastating. They are matters that should be of serious concern to FEMA and any other government agency that is to be devoted to disaster relief. Rather than demonstrating any commitment to investigate the very serious issues raised by these documents, Mr. Banks instead directed Mr. Kanstoroom to return the documents to the government and to destroy any copies that he may have.

On August 27, 2004—shortly after 8:00 a.m.—Mr. Kanstoroom received a cell phone call from Assistant Inspector General for Investigations, Elizabeth “Lisa” Redman. Ms. Redman, without identifying herself at first, said she was returning a page she had just received. Mr. Kanstoroom made clear he had paged no one that morning. Ms. Redman indicated that she was familiar with the prior speakerphone call with Mr. Banks and endorsed his position. It is my understanding that the call with Ms. Redman covered the same issues as with Mr. Banks—as well as other matters which have apparently been referred to the President’s Council on Integrity and Efficiency. Ms. Redman apparently made it clear that her office had no interest in investigating any alleged wrongdoing on the part of her Special Agents inasmuch as the Special Agents’ written reports had no reference to any impropriety on their part.

The conversation with Mr. Banks and the conversation with Ms. Redman are very disturbing. I would appreciate it if you would notify me of the statute, regulation, case, or other authority that serves as a basis for Mr. Banks’ and Ms. Redman’s direction to Mr. Kanstoroom that it is unlawful for him to possess those documents and that he should send them to the government—or destroy or shred them.

The documents can be very helpful to the victims of the devastating hurricanes and to deny them that very important information—when they have already suffered so profoundly—is quite unconscionable. The devastation caused by

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Hurricane Isabel and more recently by Hurricanes Charley, Frances, Ivan, and Jeanne is a massive human tragedy. There have been unfortunate deaths, billions of dollars of property loss, and wrenching human loss associated with the injuries and the destruction of homes and businesses and dreams and histories.

I know of no other person who has been so devoted to the victims of these hurricanes---and so tireless in trying to bring relief and justice to them---than Steve Kanstoroom. Through his efforts, as an example, systemic problems with the claims adjusting procedures have been uncovered.

The government, to the extent it is truly devoted to hurricane relief, should be lauding and encouraging Mr. Kanstoroom rather than taking actions which are perceived as being threatening and intimidating. Moreover, the government should be vigorously demonstrating that it is fully devoted to the goal that flood victims be restored to their pre-flood conditions (as mandated by Congress in the Flood Insurance Reform Act of 2004)---instead of issuing statements (as FEMA officials and representatives have) that the flood insurance program was never intended to restore policyholders to their pre-loss conditions.

I look forward to your written response.

Sincerely,



Robert P. Schuster

Robert P. Schuster, P.C.

RPS:tp

cc: The Honorable Barbara A. Mikulski,
Betty_Deacon@mikulski.senate.gov
The Honorable Paul S. Sarbanes
Charlie_Stek@sarbanes.senate.gov
Jennifer-Fogel-Bublick@banking.senate.gov

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The Honorable Elisabeth Dole

Al_Garesche@dole.senate.gov

The Honorable John R. Edwards

Laura_Godwin@edwards.senate.gov

The Honorable C. A. Ruppertsberger

Ed.Novak@mail.house.gov

The Honorable Jo Ann Davis

Brent.Robinson@mail.house.gov

Steve Kanstoroom