

[REDACTED]

September 14, 2004

The Honorable Barbara A. Mikulski  
Suite 709  
Hart Senate Office Building  
Washington, D.C. 20510

Via Email

Re: [REDACTED]

Dear Senator Mikulski:

Betty Deacon asked me for meeting points in advance of our meeting this afternoon. Inasmuch as the [REDACTED]  
[REDACTED] The top four of [REDACTED]  
are as follows:

1) DHS Inspector General Clark Kent Irvin's [REDACTED]  
[REDACTED] Assistant  
Inspector General Lisa Redman has made [REDACTED]  
[REDACTED] has recorded the [REDACTED]. The request to  
to me by the [REDACTED]  
[REDACTED] They are intending to televise it.

Congressional Testimony of WYO industry lawyer Gerald J. Neilsen makes plain the fact he is paid by the private carriers, yet he trains CSC General Adjusters and IG agents. It is [REDACTED]  
[REDACTED] the US Senate Banking Committee, to have any  
[REDACTED] investigation. Moreover, FEMA insiders tell me the IG [REDACTED]  
[REDACTED] The Congressional Testimony can be seen at  
<http://www.femainfo.us/Links/Neilsen%20IG%20Training.pdf> .

2) The Hurricane Isabel Task Force was to have been independent. It has not been. Many of the same adjusters and adjusting firms that were involved in the low-ball claims were invited to be part of the Task Force. Attached are samples of documents demonstrating this fact. There are more than 6,000 flood adjusters in the country yet [REDACTED]  
[REDACTED] or their companies were involved with the very same claims in question.

The notification process regarding the claims review was also flawed. You and I have both received complaints from your constituents whereby they complain of not receiving any notice, being told by the Task Force their properties were ineligible for review and other complaints where requests for a review were lost. [REDACTED] these issues were common knowledge. They described piles of mail returned as undeliverable and general chaos within the Task Force. Non-existent rules, circumvented by rules made up as they went along. Significant disparities exist between the handful of claims properly paid and the scores of claims wrongly denied.

3) As of last week FEMA Director David Maurstad has taken a position contrary to the intended goal of Congress that flood victims be restored to their pre-flood conditions. Mr. Maurstad described FEMA's position as viewing the NFIP as a form of Federal assistance, not insurance. He went on to state to me that Congress never intended for flood victims to be made whole. Nevertheless, at this time, [REDACTED] to train agents to the contrary. Agents are instructed to tell prospective policy holders they will be paid for the unbroken chain of events that flow from the flood loss and that they will be made whole. At the same time, we have the latest adjuster training on video tape. Adjusters are [REDACTED]

The exact instructions provided to agents can be seen at [http://www.femainfo.us/flood\\_common\\_problems.shtml](http://www.femainfo.us/flood_common_problems.shtml) Look for the Section beginning, "Adjuster Equates Direct Physical Loss ..."

Last Wednesday I shared this information with [REDACTED] CFO Tom Gallagher met with me for an hour on camera. He made clear to Floridians the NFIP was insurance and is intended to make them whole [for their covered loss]. He urged flood victims to report anything contrary to his office such that initial fines of thirty-five hundred dollars would be levied against any adjuster taking such a position. CBS aired that piece last night. We received 12,000 hits at [www.femainfo.us](http://www.femainfo.us) within fifty minutes of the broadcast.

4) In March I called an apparent [REDACTED]. The FEMA documents [REDACTED] grossly understated. In addition, recently it has become apparent that a [REDACTED] discrepancy exists between [REDACTED] audit numbers. Subsequently several insiders tell me of the ongoing IG investigation regarding [REDACTED] sufficient to step you through the accounting.

Several weeks ago I spoke with a DOJ attorney. He asked my opinion regarding the [REDACTED] I told him the same thing I told Maryland Senator Grosfeld hours after I [REDACTED] and subsequently told your staff.

The Justice [REDACTED]

Accordingly, at this time I am respectfully requesting your help in [REDACTED]

I am also calling for your help in directing the Isabel claims be, a) properly noticed with inserts describing the rationale for the review as originally promised by the NFIP, and; b) independently reviewed by reviewers possessing clear instructions.

Lastly, I am requesting that you make a public statement correcting Mr. Maurstad's errant position whereby he describes NFIP as merely a form of aid. This assertion coupled with the Task Force adjuster's position yesterday suggesting all claims work must be concluded by the anniversary of Isabel or else the victims should seek legal counsel is certain to create untold hardships for thousands of victims.

If you or your staff needs any additional information, examples, data or any other materials, please call me. The victims' lives continue to fall apart piece by piece.

Thank you.

Sincerely,



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