



Center for Public Policy Priorities

Twenty Years: 1985 to 2005

August 28, 2006

For More Information: Lynsey Kluever, 512-320-0222, X112 or kluever@cPPP.org

Katrina One Year Later: What Has Happened and What Work Remains

One year after hundreds of thousands of our Louisiana neighbors fled Hurricane Katrina, several challenges remain in meeting the short-term and long-term needs of this population, many of whom now call Texas home.

Of the 250,000 Katrina evacuees still in Texas, approximately 50,000 displaced students are enrolled in Texas public schools. A recent comprehensive state survey provides a glimpse into the challenges facing the evacuee population as well as the issues confronted by the state and localities in providing necessary services. (To download the HHSC survey, visit:

http://www.hhsc.state.tx.us/survey/KATRINA_0806_FinalReport.PDF).

Texas commissioned the survey to urge the federal government to provide the state with continued funding to meet the health care, housing, employment, and education needs of these new residents.

The evacuees certainly need our statewide attention. Most are low income. Before the hurricane, 61% of evacuee households earned less than \$20,000 a year. Today, these low wages persist—41% earn less than \$500 a month.

Significant Challenges:

Employment

According to the survey, 59% of evacuees were unemployed. Before the hurricane, only 6% of this population reported being out of work. For workers affected by Hurricane Katrina, Disaster Unemployment Assistance (DUA) payments ended in early June. The Texas Workforce Commission, in conjunction with local workforce boards and other local officials have held dozens of job fairs that have connected thousands of evacuees with employment and/or job training. TWC has used the Department of Labor's National Emergency Grants to provide services related to child care, crisis counseling, and financial aid.

For more information, visit http://www.twc.state.tx.us/news/disaster_response.html.

Housing

Long-term housing remains a critical issue for most Texans affected by Hurricane Katrina. High unemployment, low incomes, and high reliance on FEMA rental and utility assistance indicate a looming long-term housing crisis. According to the survey, as of May, over half (54%) were using federal housing assistance to pay most or all of their rental expenses. Nearly 135,000 evacuees, including 55,000 children, live in homes that receive FEMA housing subsidies that are set to expire within the next few months. In most Texas localities, the demand for very low-income housing units and Section 8 housing vouchers far outstrips the supply of affordable rental housing.

In early August, the federal Housing and Urban Development (HUD) allocated \$428.7 million in Community Development Block Grant (CDBG) funding to assist Texas in meeting this potential long-term housing crisis for hurricane evacuees. The Texas Department of Housing and Community Affairs (TDHCA) will be the lead state agency in disbursing these funds to local entities.

Most evacuee households expressed a desire to become Texas homeowners in the near future. Although only 27% of survey respondents were homeowners pre-hurricane, 64% of evacuees plan to own a home in Texas by May 2008.

To begin a disaster-related housing search, visit <http://hrc-ic.tdhca.state.tx.us/hrc/DisasterHousing.m>

Health Services and Access

Health care is another significant issue. Employer-based health coverage among Texas evacuees dropped dramatically, from 37% of workers before Katrina to 19% now. Surprisingly, rather than filling the resulting gap, evacuee coverage under public health insurance programs for low-income people also declined (from 41% of households on Medicaid to 33% of households. CHIP went from 23% of households to 11% of households). As a result, the overall uninsured rate for evacuees in Texas doubled, from 18% before Katrina to 36% today.

Since the hurricane, the rate of individuals reporting poor physical and mental health has doubled. Additionally, 44% of evacuee households have visited a hospital emergency room during their stay in Texas.

Food and Cash Assistance

Texas enrolled more than 100,000 Katrina evacuee households in Food Stamps last fall. Some of these households also received cash assistance through the Temporary Assistance for Needy Families (TANF) program. One year later, evacuee households report continued need for and use of these services compared to pre-hurricane rates. About 4% of evacuee households are enrolled in Texas' TANF program, while 39% of households are enrolled in Food Stamps.

Important Dates

- August 31, 2006: FEMA 403 housing assistance set to end for thousands of evacuees
- September 2006-February 2007 (rolling deadlines): utility assistance will end;
- October 31, 2006: FEMA deadline for recertification of 408 housing assistance