

## Katrina and Insurance Fraud

Waste, fraud, and abuse of taxpayers' dollars by anyone is unacceptable, and therefore, should be immediately reported to the appropriate federal agency. If any individual is aware of specific allegations of fraud, I strongly encourage them to report the information to FEMA's Waste, Fraud and Abuse Hotline at 1 (800) 323-8603 or fax it to the Department of Homeland Security's Office of Inspector General Hotline at (202) 254-4292.

In my opinion, the biggest instance of fraud that has taken place after Hurricane Katrina was that the insurance industry conspired with engineering and adjusting firms to commit fraud against policyholders and federal taxpayers-to the tune of billions of dollars. I have personally met with the U.S. Attorney in New Orleans Jim Letten and the U.S. Attorney in Jackson Dunn Lampton and explained how this fraud occurred and offered the resources of my office to assist them in looking into the insurance industry's handling of claims in the wake of Hurricane Katrina. To my knowledge, neither has investigated the matter to date.

Since Hurricane Katrina, I have focused a significant amount of my time and energy to resolve the insurance crisis, which is the single biggest obstacle to our region's recovery and is a tremendous financial burden for tens of millions of our fellow Americans living in coastal areas. Earlier this year, the House of Representatives passed multiperil insurance legislation that I introduced which would allow coastal residents to buy one policy that covers both wind and water damage. I have also worked to pass legislation authorizing the Department of Homeland Security (DHS) Office of Inspector General to investigate the insurance industry's fraudulent practices in denying the payment of claims to policyholders and attributing all damage to the taxpayer-supported National Flood Insurance Program. The DHS investigation is currently ongoing.

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