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MESSENGER

Reps. Musgrave, Flake, and Tiahart call for Congressional Investigation into cruise line deal to house Katrina evacuees

Details of \$236 million contract with Carnival called into question

Washington, DC: Today, Representative Marilyn Musgrave (R-CO) was joined by two of her House colleagues in petitioning congressional leadership to hold an investigation of a contract negotiated between Carnival Cruise Lines and the government after Hurricane Katrina. Representatives Jeff Flake (R-AZ) and Todd Tiahart (R-KS) joined Musgrave in sending a letter detailing their concerns over the deal and calling for congressional oversight.

"There are a lot of questions at this point, but not a lot of answers, and I find the size of this contract to be a jaw dropper," said Musgrave. "First, it is important to acknowledge Carnival Cruise Lines for their initiative to help evacuees in the Gulf Coast, there were thousands of people in desperate need and quick help. Our aim is to shine the light on how taxpayer money is being used and how this federal contract was negotiated to be sure that the people's best interests were being protected. The bottom line is that any money wasted on this deal

cannot put to work helping displaced families."

After Hurricane Katrina devastated the Gulf Coast of Mississippi and Louisiana on Labor Day weekend, the Federal Emergency Management Agency (FEMA) instructed the U.S. Navy Military Sealift Command (MSC) to make contracts for emergency relief housing. Within a 24 hour deadline, Carnival Cruise Lines submitted their bid for three of their 20 year old ships, the Ecstasy, Sensation, and Holiday, which could hold 7,116 evacuees for six months.

The price tag for the federal government is \$236 million, \$192 million for base costs for the ships for 6 months and \$44 million for reimbursements, covers fuel, dock fees, and other expenses.

In the petition, Musgrave highlights her concerns, stating they cover "...a broad range of issues related to this contract, including the cost and specifics of the contract; the manner in which it was negotiated; and the effectiveness of its use as temporary housing for evacuees."