

2011 SENATE APPROPRIATIONS

SB 2350

# 2011 SENATE STANDING COMMITTEE MINUTES

## Senate Appropriations Committee Harvest Room, State Capitol

SB 2350  
01-31-2011  
Job # 13666

Conference Committee

Committee Clerk Signature

*Alice Delzer*

### Explanation or reason for introduction of bill/resolution:

A Bill to establish an emergency disaster relief grant program; to provide an appropriation, and to provide for a report to the budget section.

### Minutes:

See attached testimony.

**Chairman Holmberg** called the committee to order on Monday, January 31, 2011 at 9:30 am. All committee members were present except V. Chair Grindberg. Joe Morrissette, OMB and Becky J. Keller, Legislative Council were also present.

**Senator Larry Robinson District 26, Valley City**, introduced SB 2350 and stated he is a sponsor of this Bill. He stated that a significant portion of these dollars in this Bill have already been earmarked. We as Legislators do the inserts, the agencies do the earmarking here but this package is extremely important. In consultation with other sponsors, with various state agencies, including disaster emergency services and the governor's office, it is the feeling that we are certainly going to need a significant amount of disaster relief funding for the upcoming spring and forth coming new biennium. It is also the feeling that after we have reviewed a number of different budgets and efforts on the Legislature to address this issue, we might consider seriously amending in Section 4 of SB2016, the budget for the Adjutant General, dollars for this particular cause. That is good news. The challenge is going to be determining what amount of funding is going to be necessary. By all reports it is going to be significant. As Chairman Holmberg indicated earlier it might be wise to assign this bill to the subcommittee on 2016 to work the final details. We might amend the entire concept in SB 2016 and I am ok with that as long as we have a strong disaster relief funding package.

**Terry Traynor, Assistant Director of North Dakota Association of Counties (NDAC)** testified in favor of SB 2350 Testimony attached # 1. As the sponsor indicated as winter unfolds our probability of significant flood related damage to public infrastructure seems more likely. Assistance that you as a legislature provided in 09 was critical for local governments' ability to meet their local match requirements, as many of these local governments had stretched their operating budgets and exhausted their emergency funds. His testimony shows a map that shows the snow depth in the state of North Dakota and on the last page a chart that shows the Distribution of FEMA Project Costs. It s the hope of myself and county officials that you will keep this proposal on the table for continued

examination This bill will provide 50% of that local share to help the city, township and county costs.

**Chairman Holmberg** as we go through this session, we will not know, by the time we have to pass on these bills in this committee and in the Senate, what the final analysis will be but by the end of the session we will have a pretty good idea as far as the extent of damage and problem or maybe we will have a great spring and not have any problem. We have to be prepared.

**Senator Christmann:** asked for an explanation regarding the history of why the percentages are as they are, with the locals paying more than the state, and I always assumed that was because the locals had a lot of the decision making responsibility with the feds and the state just paying some to help mitigate the costs, if we were to do this then the state is actually paying more than the locals and so does that mean that it should really be the state deciding a lot of things, what is worth saving and so forth. Is that what we want?

**Terry Traynor:** I don't know what the history of why it is, that seems a reasonable assumption. My understanding of the process is it's a very mutual decision from the federal regulations through the state to the local government what they will pay and what they won't pay. Ultimately, because the feds have the majority share, they often get to write the rules as far as what is allowable and what is not.

**Larry Syverson, President of ND Township Offices Association (NDTOA)** testified in favor of SB 2350. We would support the bill and support including this concept in the consolidated budget form. We are getting calls from citizens of townships that say they can't come out and blade our road, they've opened our road three times, and now they say they are out of money, and we have a long ways to go before the first flowers bloom. The roads are lined with walls of snow that has been pushed off, and now with any wind that fills in and closes the roads. It is not looking good. One comment about the local control of the spending, the township often has to lay the money out before the decision is even made if there will be funding. You find out afterwards, we are not going to pay for that, it's already too late, we've spent the money.

**Jerry Hjelmstad, North Dakota League of Cities** testified in favor of SB 2350. We realize the potential is great for disaster needs this spring and we would support this effort to provide assistance for local match so they can take advantage of federal funding that may be available.

**Chairman Holmberg:** This bill is assigned to the subcommittee, which consists of V. Chair Grindberg, Chairman Holmberg and Senator Warner. The hearing was closed on SB2350.

# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee  
Harvest Room, State Capitol

SB 2350  
February 17, 2011  
Job # 14705 (Meter starting at 106:44)

Conference Committee

Committee Clerk Signature

*Rose Loring*

## Explanation or reason for introduction of bill/resolution:

A committee vote on SB 2350 which would establish an emergency disaster relief grant program.

Minutes:

You may make reference to "attached testimony."

**Chairman Holmberg** opened the hearing on SB 2350.

**Senator Robinson** said he understands that the probability of these dollars being amended into SB 2016 is very high and was curious when that would take place. When do we put money into the fund – now or at the end of the session?

**Senator Grindberg** moved Do Not Pass on SB 2350.  
**Senator Wardner** seconded.

A Roll Call vote was taken. Yea: 13 Nay: 0 Absent: 0  
Motion carried.

**Senator Robinson** will carry the bill.

Date: 2-17-11  
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2350

Senate Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Brendley Seconded By Wardner

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent \_\_\_\_\_

Floor Assignment Robinson

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2350: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO NOT PASS (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2350 was placed on the Eleventh order on the calendar.**

2011 TESTIMONY

SB 2350

**Testimony To The  
SENATE APPROPRIATIONS COMMITTEE  
Prepared January 31, 2011, by  
Terry Traynor, Assistant Director  
North Dakota Association of Counties**

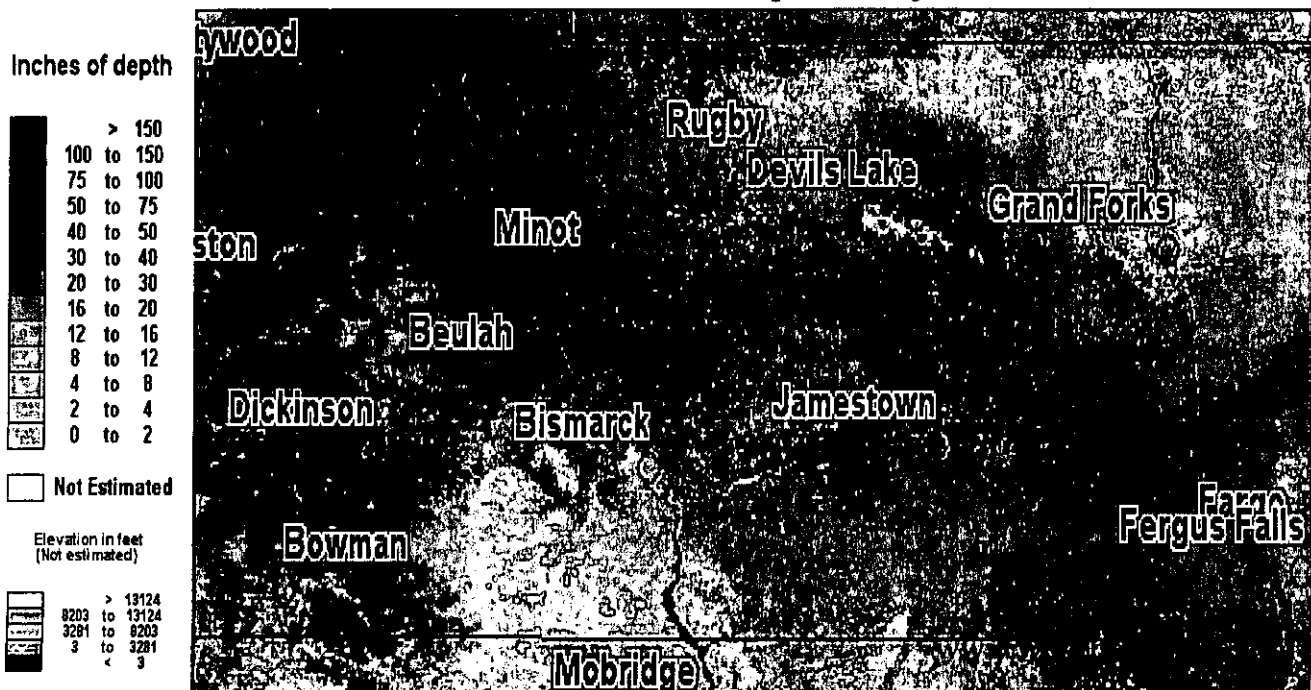
**REGARDING SENATE BILL No. 2350**

Chairman Holmberg and members of the Committee, as this winter unfolds, the probability of significant flood-related damage to public infrastructure seems more and more likely.

In the spring of 2009, the assistance the Legislature provided to counties, cities and townships in meeting the local match requirement for FEMA funds was critical – as many of these local governments had stretched their operating budgets and exhausted their emergency funds.

As the map below indicates, we are – at the end of January – already dealing with some serious snow pack levels throughout much of the State. The ultimate impact of this snow will, of course, depend greatly upon further precipitation amounts and the rate at which it all melts.

**North Dakota Snow Depth Analysis**





Whether there is a disaster declaration at some point, and what will ultimately be required for local match, are obviously unanswerable questions at this time. SB2350 however provides some assurance that there will be assistance if 2009 repeats itself.

I have prepared, from my understanding of the FEMA disaster reimbursement process, a short chart contrasting the individual project cost-shares at various disaster levels. As this committee is probably well aware, the federal government increases the percentage of its participation when a major disaster level (\$100 million statewide) is reached. This threshold is for all damage – public and private, so the table is just a generalization of various amounts of local government damage.

As we will all understand much better what the spring will bring before the Session ends, it is the hope of county officials that you will keep this proposal on the table for continued examination.

**Distribution of FEMA Project Costs  
(Dollars in Millions)**

Total Disaster Costs	Federal Share	Local Share	State Share	50% of Local Share (SB2350)
	75%	15%	10%	
\$20	\$15.00	\$3.00	\$2.00	\$1.50
\$40	\$30.00	\$6.00	\$4.00	\$3.00
\$60	\$45.00	\$9.00	\$6.00	\$4.50
\$80	\$60.00	\$12.00	\$8.00	\$6.00
	90%	7%	3%	
\$100	\$90.00	\$7.00	\$3.00	\$3.50
\$150	\$135.00	\$10.50	\$4.50	\$5.25
\$200	\$180.00	\$14.00	\$6.00	\$7.00