

Wes Moore
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Russellokestriakland
Secretary

FAVORABLE - SB0650 Public Safety - State Disaster Recovery Fund

Maryland Department of Emergency Management Appropriations Committee Hearing Date: 4 APR 2023

Chairman Ben Barnes Appropriations Committee Room 121 House Office Building Annapolis, MD 21401

Chairman Barnes,

The Maryland Department of Emergency Management (MDEM) writes **in support of SB 0650 - State Disaster Recovery Fund**. The bill establishes a disaster recovery fund to be administered by the Department, and it will fill a critical gap in Maryland's disaster recovery capabilities. The bill will also enable MDEM to establish much-needed minimum reporting criteria to gather disaster-related impact data, which will not only support ongoing disaster relief and recovery efforts, but will also support decision makers in areas of disaster risk reduction like hazard mitigation. This bill directly reflects the recommendations of a comprehensive <u>State Disaster Relief Fund Working Group</u>, which met over the course of several months in 2022 and studied various models for non-federal disaster assistance programs, as well as heard from recent disaster survivors.

The only mechanism in State law which currently addresses disaster recovery funding is the Catastrophic Event Account, which is not currently managed by MDEM or any other State agency. The CEA is not an effective or efficient mechanism to support disaster relief and recovery operations in the absence of a federal disaster declaration. The CEA, even as amended by the House in HB789, will not:



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- Provide an efficient or coordinated mechanism for state disaster recovery support for local jurisdictions, residents, or business owners. The Catastrophic Event Account is not managed or directed by MDEM or any other State agency. Only the Governor has the power to transfer funds from the CEA to existing State programs, or under the amended version, to local units of government. This requires a budget transfer process and a 15 day review by the Legislative Policy Committee.
- Provide an equitable disaster relief and recovery program available to residents, as there are no standards identified for which types of disasters are eligible for funding and what type of aid should be provided. These criteria would be required by the SDRF.
- Eliminate inconsistencies in disaster relief and recovery funding provided, as it will remain up to the Governor which event is worthy of funding, how much funding is provided, and which State or local programs are funded.

Simply put: our current disaster relief policy leaves many of our neighbors behind.

It should also be noted that using the CEA out of sequence from federal disaster funding requirements could limit eligibility for disaster assistance for Marylanders and local governments. SB650 specifically charges MDEM with ensuring the Fund is used in accordance with the federal requirements.

As written, SB650 has the potential to fill significant gaps in disaster relief and recovery capabilities at the State and local levels. If the CEA is eliminated, and the SDRF is established, the State does not lose any capability to respond to disasters. Instead, the SDRF provides MDEM the ability to coordinate a statewide disaster recovery effort, addressing individual, business, and local government needs when the jurisdictions themselves are overwhelmed in an efficient, effective, and coordinated manner immediately following the response. When combined with a risk reduction strategy that invests in hazard mitigation for our communities, SB0650 will significantly increase Maryland's resilience in the face of local disasters.

In conclusion, MDEM urges a favorable report of SB 0650 - State Disaster Recovery Fund without any further amendment.



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If you have any questions, please contact Anna Sierra, MDEM legislative liaison: anna.sierral@maryland.gov.