

Meyd Letter of Support SB650_2023.pdf

Uploaded by: Christopher Meyd

Position: FAV

City of Annapolis
Mayor Gavin Buckley
160 Duke of Gloucester St
Annapolis, MD 21401



Office of Emergency Management
Director Kevin J. Simmons
199 Taylor Ave
Annapolis, MD 21401

In Support of MD 2023 SB 650
Public Safety - State Disaster Recovery Fund

Senate Budget and Taxation Committee Hearing
Thursday, March 9, 2023

Chair Guzzone, Vice-Chair Rosapepe, and fellow members of the Budget and Taxation Committee:

I am Chris Meyd, Emergency Management Planner for the City of Annapolis Office of Emergency Management. I offer this testimony today in support of Senate Bill 650, a bill that fills a critical need for dedicated State disaster recovery funding that can be accessed by local units of government to assist Maryland communities impacted by localized disasters when they do not receive federal disaster assistance.

Currently in Maryland, there is a significant capability gap in offering State disaster recovery funding when localized disasters, such as tornadoes, microburst storms, severe flooding, or similar events, occur in municipal towns and cities that do not meet the eligibility requirements for a federal disaster declaration or the federal recovery assistance that comes with the declaration.

With the State's current disaster recovery mechanisms, local governments, like the City of Annapolis, are often limited in resources to provide the necessary recovery assistance to its impacted residents, businesses, and nonprofit organizations within the community. These services include providing financial assistance to individuals and households in the form of low-interest loans or grants, providing disaster case management services to disaster survivors, and the ability to better serve our most vulnerable and underserved communities with more equitable access to the State's current disaster relief programs. SB 650 directly addresses these limitations with the establishment of the State Disaster Recovery Fund to be administered by the Maryland Department of Emergency Management and the appointed Local Emergency Managers throughout the State.

In the aftermath of the 2021 Annapolis Tornado, in which over 100 homes, businesses, and local nonprofit organizations were damaged or destroyed in the Parole neighborhood, I served as the local disaster case management worker to assist community members with their recovery. My experiences while serving in this role brought to my attention, and the attention of the Annapolis community, that there are significant limitations on the authorities which allow for the State government to provide direct assistance to local residents who are impacted by such disasters. With the current mechanisms for the State's disaster assistance programs, residents have described to me their extensive challenges in accessing State disaster housing programs, dealing with insurance companies, and navigating State bureaucracy, all of which has ultimately led to immense financial hardships that they are still trying to recover from, a year and 6-months since the tornado first upended their lives.

The Parole neighborhood of Annapolis has a large community of vulnerable and underserved populations, including seniors living on fixed incomes and families living at or below the poverty

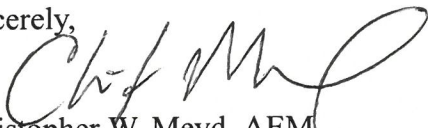
level in generational housing that are often uninsured or underinsured. As recognized in the the *Recommendations for the Establishment of a State Disaster Relief Fund report to the Maryland General Assembly* as required by SB310/Ch. 491, 2022 and HB386/Ch. 490, 2022, the impacts of disasters on vulnerable and underserved populations are greater and require a more equitable recovery process. The current patchwork of State disaster relief and recovery programs, their eligibility requirements, application processes, and delivery mechanisms are overly complex and difficult to manage for these communities. A dedicated, accessible fund is needed to help more effectively and equitably meet the needs of this community, and other communities like Parole throughout the State, after a disaster.

Through these experiences in responding to the Annapolis tornado incident, the Annapolis Office of Emergency Management has identified that there is a significant need for a State funding source that can help build and sustain capacity for local disaster case managers when localized disasters occur. The ability for a portion of the State Disaster Recovery Fund to be utilized for disaster case management services significantly increases the ability for the City of Annapolis and other local governments to better help and assist their community members to quickly access the programs and services that can be funded by the State Disaster Recovery Fund.

With the growing frequency of localized disasters occurring in Maryland that are not eligible for federal disaster assistance, local governments, including the City of Annapolis, look to State programs for additional assistance and resources after all local resources have been exhausted. By having a single, coordinated recovery fund program administered by emergency management professionals, local disaster recovery efforts can better ensure that the impacted communities have access to recovery funds and are able to receive the benefits they are eligible for.

I respectfully request that the Senate Budget and Taxation Committee look favorably upon this legislation and move to support the establishment of the State Disaster Recovery Fund.

Sincerely,



Christopher W. Meyd, AEM
Emergency Management Planner
Office of Emergency Management
City of Annapolis

BaltimoreCounty_FAV_SB0650.pdf

Uploaded by: Joshua Greenberg

Position: FAV



JOHN A. OLSZEWSKI, JR.
County Executive

JENNIFER AIOSA
Director of Government Affairs

AMANDA KONTZ CARR
Legislative Officer

JOSHUA M. GREENBERG
Associate Director of Government Affairs

BILL NO.: **SB 650**

TITLE: **Public Safety - State Disaster Recovery Fund**

SPONSOR: **Senator Elfreth**

COMMITTEE: **Budget and Taxation**

POSITION: **SUPPORT**

DATE: **March 9, 2023**

Baltimore County **SUPPORTS** Senate Bill 650 – Public Safety - State Disaster Recovery Fund. This bill would establish the State Disaster Recovery Fund.

Recent upticks in extreme weather events have led to dramatic increases in weather-related home damage. Unfortunately, certain forms of damage caused by tidal flooding, straight-line wind storms, and other weather events can cause costly and burdensome damage to communities without meeting the threshold for federal disaster relief.

Senate Bill 650 would establish the State Disaster Recovery Fund to provide financial assistance to individuals whose homes and businesses have been damaged by extreme weather events, but do not qualify for federal assistance. This legislation would provide critically important funds to help residents suffering from the destructive impacts climate change-induced weather events

Accordingly, Baltimore County requests a **FAVORABLE** report on SB 650. For more information, please contact Jenn Aiosa, Director of Government Affairs at jaiosa@baltimorecountymd.gov.

SB 650 - FAV - MML.pdf

Uploaded by: Justin Fiore

Position: FAV



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

March 9, 2023

Committee: Senate Budget and Taxation Committee

Bill: SB 650 – Public Safety - State Disaster Recovery Fund

Position: Support

Reason for Position:

The Maryland Municipal League supports SB 650, which would establish the State Disaster Recovery Fund to support local communities when disasters strike but a federal disaster declaration has not been received or fails to meet the local need.

The League appreciates the sponsor's leadership on this multiyear effort to fill the gaps in emergency funding that can occur after a natural disaster, especially in our most vulnerable communities. This is poised to be an important tool for local governments, families, and businesses. Our Hometown Emergency Preparedness Ad Hoc Committee also fully supports the legislation.

The Maryland Municipal League respectfully requests the Committee provide SB 650 with a favorable report.

FOR MORE INFORMATION CONTACT:

Theresa Kuhns

Angelica Bailey Thupari, Esq.

Bill Jorch

Justin Fiore

Chief Executive Officer

Director, Advocacy & Public Affairs

Director, Public Policy

Deputy Director, Advocacy & Public Affairs

1212 West Street, Annapolis, Maryland 21401

410-268-5514 | 800-492-7121 | FAX: 410-268-7004 | www.md-municipal.org

SB0650-BT_MACo_SUP.pdf

Uploaded by: Kevin Kinnally

Position: FAV



Senate Bill 650

Public Safety - State Disaster Recovery Fund

MACo Position: **SUPPORT**

To: Budget and Taxation and Education,
Energy, and the Environment Committees

Date: March 9, 2023

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** SB 650. By implementing the recommendations of the State Disaster Recovery Fund Workgroup, this bill will help counties streamline and expedite community resources in times of crisis.

While a disaster always begins and ends at the local level, a strong partnership among federal, state, and local governments is vital to emergency preparedness and community resilience. Currently, a federal emergency declaration is the trigger event for a wide range of public and private sector relief available in a crisis or disaster. However, in smaller scale events, similar problems arise for those affected – but local governments are restricted in the funds and resources they can activate without federal declaration.

In lieu of federal assistance, county governments and their residents rely on state relief programs. However, Maryland's current relief mechanisms are siloed, mostly unfunded programs, which create barriers to access and significant delays in distributing aid. As such, SB 650 establishes a State Disaster Recovery Fund, administered by the Maryland Department of Emergency Management (MDEM), to provide disaster recovery assistance to county governments, individuals, and families when federal aid is not available or insufficient – typically due to the nature and breadth of the event.

Specifically, the State Disaster Recovery Fund will provide disaster recovery assistance to county governments for the repair, restoration, reconstruction, or replacement of a public facility, expedite low-interest or no-interest loans to businesses and nonprofits, allocate disaster-related assistance for unmet needs of individuals and families following a federal disaster declaration, and other needed assistance, as specified.

Furthermore, beginning in fiscal year 2025 and each year thereafter, the bill requires the governor to include a sufficient appropriation in the annual budget bill to bring the minimum balance of the fund to at least \$20 million. In addition, MDEM, in consultation with local emergency managers, must develop eligibility criteria, policies, and procedures to administer the fund, while considering existing state disaster recovery programs and federal disaster relief and recovery requirements.

SB 650 provides much-needed resources to serve residents and businesses in all 24 jurisdictions when a disaster strikes, and the help is most needed. Accordingly, MACo urges a **FAVORABLE** report for SB 650.

Simmons Letter of Support SB650_2023.pdf

Uploaded by: Kevin Simmons

Position: FAV

City of Annapolis
Mayor Gavin Buckley
160 Duke of Gloucester St
Annapolis, MD 21401



Office of Emergency Management
Director Kevin J. Simmons
199 Taylor Ave
Annapolis, MD 21401

In Support of MD 2023 SB 650
Public Safety - State Disaster Recovery Fund

Senate Budget and Taxation Committee Hearing
Thursday, March 9, 2023

Chair Guzzone, Vice-Chair Rosapepe, and fellow members of the Budget and Taxation Committee:

I am Kevin J Simmons, Director of the Office of Emergency Management for the City of Annapolis. I offer this testimony to voice my support for Senate Bill 650, a bill that provides local units of government, such as the City of Annapolis, with the capability to access state recovery funding in the aftermath of a localized disaster.

Currently, there are significant limitations in the State's ability to provide recovery assistance to locally impacted residents, businesses, and nonprofit organizations of such disasters. Due to not having a current mechanism for the State to fill the gap between local and federal disaster recovery funding, local governments are often left unable to meet the needs of their communities when all local recovery assistance means have been exhausted. SB 650 aims to remove these limitations with the establishment of a State Disaster Recovery Fund administered by the Maryland Department of Emergency Management.

This Bill fills a critical gap in local disaster recovery by allowing local governments to access state disaster funding when local funding has been exhausted and federal assistance is not granted. In the fall of 2021, the City of Annapolis sustained substantial damage from a localized disaster in which residents are suffering because of this gap in assistance and still have not recovered a year and six months later.

On September 1, 2021, an unprecedented category EF-2 tornado struck the City of Annapolis resulting in over 100 homes, businesses, and local non-profit organizations within Annapolis and Anne Arundel County being damaged or completely destroyed. The Parole neighborhood, a historic Black and Brown community, was one of the hardest-hit areas in Annapolis. Many of the impacted residents are seniors living on a fixed income or are families living in generational housing with incomes below the poverty level, and many of the homes were uninsured or underinsured. As a result, the ability for the community to start the recovery process was significantly delayed by there not being dedicated funds to assist individuals and households after local resources were exhausted.

By not having either a State Emergency Declaration issued or a Presidential Disaster Declaration granted, local governments are only able to rely on a local disaster declaration which does not currently authorize access to State disaster recovery programs. The City of Annapolis, Anne Arundel County, and local non-governmental organizations continue to provide as much assistance as possible, yet, residents continue to be met with extensive challenges in state bureaucracy when trying to utilize State programs activated outside of a State Emergency Declaration.

In the absence of a State and Presidential Disaster Declaration, the former Governor answered the request of the local governments to allocate state funds for recovery assistance. The Governor directed \$4 million to the Department of Housing and Community Development (DHCD) to activate its disaster and disaster-applicable housing and community programs. These programs were initially offered in the form of loans, however, being a responsible community, the residents of Parole understood the challenges that would be presented in taking on the burden of a loan. Many of the families in the Parole community can not afford loan repayments and will not risk future generations not being able to own their family homes due to encumbrances from such loans. In working with the DHCD, these loans were eventually transitioned into a grant program, yet, significant delays and obstacles are still occurring.

As referenced in the *Recommendations for the Establishment of a State Disaster Relief Fund report to the Maryland General Assembly* as required by SB310/Ch. 491, 2022 and HB386/Ch. 490, 2022, the residential disaster programs administered by the DHCD are not currently capable to efficiently and effectively meet the needs of local residents with timely and accessible disaster recovery assistance. Had there been an ability for local governments to access a state disaster recovery fund as proposed in SB 650, it would have allowed the City of Annapolis to provide equitable disaster recovery assistance to its residents in a quick and fiscally responsible manner.

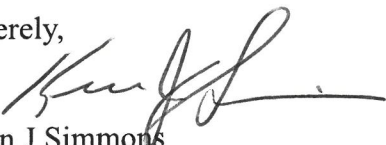
Additionally, the ability for the fund to support disaster case management services, as proposed in SB 650, fills another critical gap in local disaster recovery operations. Effective case management is a vital component to efficiently assist individuals and families recovering from a disaster. Local governments can quickly become overwhelmed when a disaster strikes. Following the Annapolis tornado, the City was unable to fill the gap of needing additional disaster case management support through current State or Federal programs. With the denial of a Presidential Disaster Declaration, FEMA's disaster case management services, including the reimbursement for locally administered services, were not made available.

As an experienced first responder, incident management team coordinator, deputy fire chief, and executive director within the field of emergency management for the past 40 years, I can attest to the benefits of SB 650 being summarized in the following key points:

1. SB 650 provides disaster recovery relief for small Maryland cities and towns as well as the counties and Baltimore City;
2. The disaster recovery fund will be managed and administered by the Maryland Department of Emergency Management and local appointed emergency managers, the industry experts in disaster recovery; and
3. The disaster recovery fund will focus on the recovery of lower income and underserved communities ensuring no one is left behind.

I respectfully request that the Senate Budget and Taxation Committee look favorably upon this legislation that would allow the City of Annapolis, along with other local governments, to quickly act and provide essential recovery assistance to its community following a localized disaster through the establishment of the State Disaster Recovery Fund.

Sincerely,



Kevin J Simmons
Director, Office of Emergency Management
City of Annapolis

SB0650.pdf

Uploaded by: Maryland Emergency Management Association

Position: FAV



Maryland Emergency Management Association

c/o Montgomery County Office of Emergency Management and Homeland Security
100 Edison Park Drive, 1S31, Gaithersburg, MD 20878

www.marylandema.org

Joseph Theobald, *President* Jo Henderson, *Vice President* Shelly Gooding, *Secretary* Marianne Souders, *Treasurer*

March 8, 2023

Re: SUPPORT – SB0650 – State Disaster Recovery Fund

The Maryland Emergency Management Association (MDEMA) is a non-profit organization that brings together emergency management professionals from across Maryland to improve the state's emergency preparedness and response capabilities. MDEMA serves as a forum for emergency managers to share best practices, discuss emerging issues and trends, and collaborate on planning and response efforts.

The Maryland Emergency Management Association strongly supports Maryland SB0650, which would establish the State Disaster Recovery Fund to provide disaster-related assistance to local governments, individuals, families, and businesses in the event of a disaster.

Disasters, whether natural or man-made, can have severe consequences on people's lives and livelihoods. These events can result in loss of life, displacement, injury, property damage, and economic disruption. The consequences can be even more devastating for individuals and communities who lack the financial resources to cope with the aftermath of a disaster. In such cases, disaster relief funds can provide critical support to affected individuals and communities.

The establishment of the State Disaster Recovery Fund will provide a critical source of support for Maryland communities. In the absence or denial of federal declaration and assistance, the State Disaster Recovery Fund will be able to provide assistance for the unmet needs of individuals and families in a ***timely manner***. The fund will enable the state to provide disaster-related assistance to local governments for the repair or replacement of public facilities, as well as low-interest or no-interest loans to businesses and nonprofits. This support is essential for these entities to ***respond to disasters, resume normal operations, expedite recovery efforts, and mitigate the long-term impacts of disasters quickly and effectively.***

Moreover, individual assistance funds can help ***mitigate the economic impacts of disasters.*** Disasters can lead to job loss and business closures, which can have long-term consequences for affected individuals and communities. By providing financial assistance to individuals and families, individual assistance funds can help them recover and contribute to the local economy.

Further, the Fund ***promotes equity and fairness*** and embodies the Emergency Management and Maryland values of ***leaving no citizen behind*** and ***caring for our most vulnerable.*** Disasters disproportionately affect low-income individuals and communities, who may lack the resources to cope with the aftermath of a disaster. The establishment of the State Disaster Recovery Fund is an important step in ***ensuring the resilience of all Maryland communities*** in the face of disasters.



Maryland Emergency Management Association

c/o Montgomery County Office of Emergency Management and Homeland Security
100 Edison Park Drive, 1S31, Gaithersburg, MD 20878
www.marylandema.org

Joseph Theobald, *President* Jo Henderson, *Vice President* Shelly Gooding, *Secretary* Marianne Souders, *Treasurer*

By creating this fund, ***Maryland will become one of many other jurisdictions that have identified this disaster response gap*** and proactively chose to act on it, such as California's Disaster Assistance Act, Texas' Disaster Relief Fund, New York State Disaster Relief Fund, Virginia Disaster Relief Fund, and Florida's Disaster Fund. These are just a few examples of jurisdictions that have disaster relief funds. Many other states and local governments also have similar funds in place to help those affected by disasters and emergencies.

While Maryland has received federal disaster aid for several major disasters in the past, there have been many ***instances where federal funds were not available***, such as the Ellicott City Floods in 2016 and 2018¹, Baltimore Gas Explosion in 2020²; Hail Storm in Frederick in 2020³. In these instances, the state of Maryland used its own resources to provide assistance to those affected by disasters. However, many individual needs remained unmet given and delayed. Having a state disaster relief fund in place can help provide the financial assistance to individuals and communities, at the time they are most needed.

Overall, individual assistance funds are critical in promoting recovery, addressing immediate needs, and mitigating the long-term economic impacts of disasters. They are an essential component of disaster relief efforts and can help promote equity and fairness in disaster response.

We respectfully request a **favorable report on SB 0650**.

Netta Squires and Jon Bratt

Co-Chairs MDEMA Legislative Committee

On behalf of the Maryland Emergency Management Association

¹ Ellicott City, Maryland, experienced severe flash floods in 2016 and 2018 that caused significant damage to businesses and homes. While the state of Maryland provided financial assistance to those affected, a federal disaster declaration was not issued, and federal funds were not available.

² In August 2020, a gas explosion occurred in Baltimore that destroyed several homes and damaged others. While the state of Maryland provided financial assistance to those affected, a federal disaster declaration was not issued, and federal funds were not available.

³ In June 2020, a severe hail storm hit Frederick, Maryland, causing significant damage to homes, cars, and businesses. While the state of Maryland provided financial assistance to those affected, a federal disaster declaration was not issued, and federal funds were not available.

Letter of Support SB650_HB789_Public Safety_ State

Uploaded by: michael hinson

Position: FAV



MARYLAND
Association of
COUNTIES

COUNTY EMERGENCY MANAGERS AFFILIATE

LETTER IN SUPPORT OF SB 650 / HB 789

PUBLIC SAFETY – STATE DISASTER RECOVERY FUND BILL

SENATE BUDGET AND TAXATION COMMITTEE / HOUSE APPROPRIATIONS COMMITTEE

MARCH 7, 2023

The Maryland Association of Counties (MACo) Emergency Managers Affiliate **SUPPORTS** SB 650/HB 789 – Public Safety – State Disaster Recovery Fund Bill. This bill would create a non-lapsing fund (“the Fund”), administered by the Maryland Department of Emergency Management (MDEM), that can be accessed to provide financial support if a unit of local government declares an emergency, without a formal federal emergency declaration. SB 650/HB 789 would require the Governor to set aside \$20 million in his FY 2025 budget to establish the Fund.

The Fund would provide disaster recovery assistance to families and individuals as well as provide financial assistance to units of local government for the repair, restoration, or replacement of public property damaged in an emergency in the absence of a federal emergency declaration. Additionally, the Fund would provide low or no-interest loans to businesses and non-profit organizations affected by an emergency if a federal emergency declaration is not received. Following a federal emergency declaration, the Fund would provide for the unmet needs of individuals or families that have been denied federal aid but meet the criteria of receiving funding under this bill and would also match funds provided to individuals, state, and local governmental units.

As emergency management evolves to respond to matters beyond its historical scope of natural disasters, the law must evolve with it to support these developments. Adequate funding of local emergency management departments has never been more important to the goal of keeping Marylanders safe. Over the years, and especially demonstrated in recent events, the emergency management infrastructure has been called upon to respond to an increasingly diverse array of challenges. This bill would be greatly beneficial in ensuring that emergency management services continue to be well-positioned to serve Marylanders. Accordingly, MACo Emergency Managers Affiliate urges the Committee to give SB 650/ HB 789 a report of **FAVORABLE**.

Respectfully,

DocuSigned by:
Mike Hinson
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3/7/2023

Michael Hinson, MPA, CEM, CBCP
President, Maryland Association of County Emergency Managers
Director, Howard County Office of Emergency Management

SB0650_FAV_Montgomery County Food Council.pdf

Uploaded by: Michelle Caruso

Position: FAV



March 9, 2023

**2023 SESSION SUPPORT TESTIMONY
SBo650: State Disaster Recovery Fund**

BILL: SBo650: Public Safety - State Disaster Recovery Fund
POSITION: Testimony in Support of Senate Bill 0650
BILL ANALYSIS: Establishing the State Disaster Recovery Fund to provide disaster related assistance to units of local government for individuals and families and for the repair of replacement of public facilities, and for low-interest or no-interest loans to businesses and nonprofits when a federal disaster declaration is not received; requiring the fund to provide disaster-related assistance for the unmet needs of individuals and families after a federal disaster declaration or in the event of a certain denial of federal assistance.

Dear Chair Guzzone and members of the Senate Budget and Taxation Committee:

The Montgomery County Food Council (MCFC) urges you to **SUPPORT** this bill to appropriate State funds for the State Disaster Recovery Fund. This fund will support individuals and families impacted by a local disaster when no Federal Disaster Declaration is declared, and will help make Maryland more resilient to future disasters.

When disasters take place, residents who rely on food assistance, social support programs, and other essential services are most impacted. When these support systems are interrupted, food insecurity becomes more prevalent. This legislation will assist individuals by providing access to funding to replace lost or spoiled food, and will provide low- or no-interest loans to small businesses to aid in recovery. This proactive approach is commendable, as no one should suffer from hunger due to a disaster that was beyond their control. Equally, it is critical to support small food businesses in under-resourced neighborhoods to enable them to maintain their foothold in the community and provide access to food.

With impacts from climate change likely to bring more disasters, it is important for the State of Maryland to establish this fund so that residents and businesses will have the support they need to recover. that will ensure residents have the support they need to respond to disasters. The creation of the State Disaster Recovery Fund is a key way to support small businesses who will be more impacted by disasters, as well as ensure that funding is available to repair, or restore, any damage done to public facilities. This bill will also enable the Maryland Department of Emergency



P.O. Box 32212 | Bethesda, MD 20814 | 310-637-7071
mocofoodcouncil.org | info@mocofoodcouncil.org

Management to establish a minimum reporting criteria to gather disaster-related impact data. This is especially important, as the timely acquisition of such data will not only bolster ongoing relief and recovery efforts, but will also support the efforts of the Montgomery County Food Council in comprehending the impact of disasters on the food system at the local level.

This legislation is critical for advancing Maryland's disaster recovery efforts, ensuring that its citizens receive timely assistance during difficult times, and promoting food security in the state. **For these reasons, the Montgomery County Food Council supports SBoo650 and urges a FAVORABLE REPORT for this bill.**

The Montgomery County Food Council is a nonprofit organization that serves as the primary connection point for businesses, nonprofits, government agencies, and residents around food system issues in our County. We bring together over 2,000 local and regional partners in community-wide education, advocacy, and capacity building initiatives. Our work cultivates a more resilient, sustainable, and equitable local food system by enhancing food access for the over 100,000 at risk for hunger, expanding food education opportunities for all residents, supporting our County's farms and food and beverage businesses, and addressing the impact of local food production, distribution, consumption and recycling on our natural resources

For more information, please contact Massa Cressall, Interim Executive Director, at the email and phone number below.



P.O. Box 32212 | Bethesda, MD 20814 | 310-637-7071
mocofoodcouncil.org | info@mocofoodcouncil.org

SB650 Fav PresMD.pdf

Uploaded by: Nicholas Redding

Position: FAV



PRESERVATION MARYLAND

March 8, 2023

Hon. Guy Guzzone
Budget and Taxation Committee
Mill Senate Office Building, 11 Bladen St.
Annapolis, Maryland

Hon. Brian J. Feldman, Chair
Education, Energy and the Environment Committee
Miller Senate Office Building, 11 Bladen St.
Annapolis, Maryland

RE: SB650 FAVORABLE

Chairperson Guzzone and Chairperson Feldman,

On behalf of the staff and Board of Directors of Preservation Maryland and our thousands of statewide supporters, I thank you for the opportunity to provide testimony in **SUPPORT of SB650**– a piece of legislation that has the opportunity to support and invest in our state’s history and communities.

Preservation Maryland is the statewide voice for historic preservation that works to protect the best of Maryland. Since 1931, we have worked tirelessly to protect the places, stories, and communities in Maryland that matter. (Learn more at: presmd.org)

Preservation Maryland is supportive of the bill which has the potential to create dependable sources of funds to support communities across the state in the event of a natural disaster with grants, loans, and other financial support. With our experience following the harrowing floods in Ellicott City (2016, 2018), we believe this legislation is critical to our state's position to respond quickly to the financial needs of our communities’ following disasters. Given that so many of our legacy communities are threatened by changing climates, the fund is a priority for historic places across our state.

SB650 is an innovative way of creating a dependable source of funds to support communities across the state with grants, loans, and other financial support in the event of a major disaster. Therefore, I respectfully urge a favorable report on SB650.

Favorable

Sincerely,

Nicholas A. Redding, President & CEO

PindellCharles Letter of Support SB650_2023.pdf

Uploaded by: Rhonda Pindell Charles

Position: FAV



Alderwoman Rhonda Pindell Charles

City of Annapolis Ward 3

410-266-6857

aldpindellcharles@annapolis.gov

**In Support of MD 2023 SB 650
Public Safety - State Disaster Recovery Fund**

*Senate Budget and Taxation Committee Hearing
Thursday, March 9, 2023*

Chair Guzzone, Vice-Chair Rosapepe, and fellow members of the Budget and Taxation Committee:

I, Rhonda Pindell Charles, Alderperson for the City of Annapolis Ward 3 and Chairperson of the City Council Public Safety Committee, write in support of Senate Bill 650 - State Disaster Recovery Fund. This bill establishes a disaster recovery fund that fills a critical gap in state disaster recovery funding that can be made available to local governments, including the City of Annapolis, when a disaster strikes within its community.

In September of 2021, members of my community in Ward 3 were severely impacted by an unprecedented category EF-2 tornado that struck Annapolis in the neighborhood of Parole. The devastation caused by this natural disaster included substantial structural damage to area properties resulting in the complete loss of homes and businesses for many of my constituents. A local state of emergency was declared by Mayor Gavin Buckley, however, without the declaration of a state emergency or federal disaster declaration, many of Ward 3's most vulnerable and underserved populations are going without the necessary resources to recover from the storm.

Within this historic Black and Brown community, many of the impacted residents are seniors living on a fixed income or are families living in generational homes and are living at or below the poverty level. Many of these homes are uninsured or underinsured as a result. These individuals and families have faced significant obstacles and delays in accessing the current programs offered at the State level in the aftermath of this disaster. The community has voiced their concerns that there is much needed improvement in how recovery assistance is provided to communities like Parole after such a disaster occurs. Community members have shared their stories and provided testimony of their lived experience with the recovery process to members of the State Disaster Relief Fund Working Group and I support them in their calls for needed improvements.

I continue to work closely with the residents, businesses, churches and community centers within Parole that were impacted by this disaster and who are still struggling to obtain the necessary recovery assistance in the absence of a federal declaration. This Fund would allow the State the ability to provide disaster recovery assistance to these families and community members, as well as provide financial assistance to the local government when federal recovery assistance is not made fully available.

Localized disasters like the Annapolis tornado are continuing to grow in frequency and magnitude throughout the State of Maryland. The programs and resources administered by federal, state, and local emergency management departments are more vital to local communities than ever before.

This Fund provides the necessary mechanism for the State to direct recovery funds to the residents, families, businesses, and nonprofit organizations that need it most after all local resources have been exhausted.

I strongly urge this committee to offer a favorable recommendation in support of the establishment of the State Disaster Recovery Fund.

Sincerely,

A handwritten signature in cursive script that reads "Rhonda Pindell Charles". The signature is written in black ink and includes a long, sweeping flourish at the end.

Rhonda Pindell Charles, J.D.
Aldersperson Ward 3
City of Annapolis

Anne Arundel County _FAV_SB 650.pdf

Uploaded by: Steuart Pittman

Position: FAV



March 9, 2023

Senate Bill 650

Public Safety - State Disaster Recovery Fund

Senate Budget & Taxation Committee

Position: FAVORABLE

Anne Arundel County **SUPPORTS** Senate Bill 650 - Public Safety - State Disaster Recovery Fund. This bill will establish the State Disaster Recovery Fund to provide disaster related assistance to fill gaps when federal assistance is unavailable. This bill is the result of legislation passed last year to create the Workgroup to Study the Establishment of a State Disaster Relief Fund, which was co-chaired by Anne Arundel County's Director of Emergency Management.

On September 1, 2021, Tropical Depression Ida hit Anne Arundel County and significantly impacted over one hundred homes and twenty-five businesses. Multiple commercial properties were destroyed, and business owners returned to their properties to find collapsed walls and roofs. We declared a local state of emergency in Anne Arundel County the next day, September 2, 2021, to allow us to deploy the resources our communities needed.

The State of Maryland worked with us to help ensure our residents and businesses could recover from this storm, and we worked together to submit a major disaster declaration for the State of Maryland through the Federal Emergency Management Agency (FEMA). However, on October 8, 2021, over a month after we had declared a local state of emergency, FEMA denied the requested major disaster declaration for the State of Maryland.

With this denial, Anne Arundel County could only look to the State to provide the financial relief our residents and businesses needed to recover from the storm damages. We sent a letter requesting assistance through the VLT Fund's Small, Minority, and Women-Owned Business Account and the Department of Housing and Community Development's disaster relief programs. While the State made \$4 million in funding available through the Department of Housing and Community Development, without a State or Federal declaration the businesses could not benefit from the VLT fund to make repairs and prevent further economic loss.

SB 650 would ensure that there is a clear process for local governments to access grant funding once a local state of emergency is declared, preventing a delay like this from happening again, and ensuring that our residents and businesses have the funding they need to recover from an emergency as soon as possible.

For all of these reasons, I respectfully request a **FAVORABLE** report on Senate Bill 650.

Stuart Pittman
County Executive

03.08.23 SB 0650 LOS Joint.pdf

Uploaded by: Terry Hale

Position: FAV

Danielle Hornberger
County Executive

Steven Overbay
Acting Director of Administration

Office: 410.996.5202
Email: dhornberger@ccgov.org



Jackie Gregory
Council President

Robert Meffley
Vice President

Office: 410.996.5201
Email: council@ccgov.org

CECIL COUNTY GOVERNMENT
Cecil County Administration Building
200 Chesapeake Boulevard, Elkton, MD 21921

March 8, 2023

The Honorable Guy Guzzone
The Honorable Jim Rosapepe
Senate Budget and Taxation Committee
3 West
Miller Senate Office Building
Annapolis, MD 21401

RE: SB 0650 - Public Safety - State Disaster Recovery Fund
Letter of Support

Dear Chairman Guzzone, Vice Chair Rosapepe and Members of the Senate Budget and Taxation Committee:


The County Council and the County Executive of Cecil County unanimously support SB 0650 - Public Safety - State Disaster Recovery Fund. The hearing on this legislation is scheduled for March 9, 2023.


It is our understanding that this legislation will establish the State Disaster Recovery Fund to provide disaster related assistance to units of local government for individuals and families and for the repair or replacement of public facilities, and for low-interest or no-interest loans to businesses and nonprofits when a federal disaster declaration is not received; requiring the fund to provide disaster-related assistance for the unmet needs of individuals and families after a federal disaster declaration or in the event of a certain denial of federal assistance; and so forth.

Cecil County understands that after a disaster, the family, community and businesses that were affected requires the support of our State and local officials more than ever. As the cost and number of natural and man-made disasters increases it places an undue financial burden on our community and this legislation would be another tool in our toolbox to use to help in a time of need.

The County Executive and County Council of Cecil County respectfully requests that the Budget and Taxation Committee send a favorable report on SB 0650.

Sincerely,


Danielle Hornberger
County Executive


Jackie Gregory
President of County Council

FWA - MDEM - SB650 - State Disaster Relief Fund.pd

Uploaded by: Anna Sierra

Position: FWA



Wes Moore | Governor
Aruna Miller | Lt. Governor
Russell J. Strickland | Secretary

FAVORABLE WITH AMENDMENTS - SB0650
Public Safety - State Disaster Recovery Fund

Maryland Department of Emergency Management
Budget and Taxation Committee
Hearing Date: 9 MAR 2023

Chairman Guy Guzzone
Budget and Taxation Committee
3 West
Miller Senate Office Building
Annapolis, MD 21401

Chairman Guzzone,

The Maryland Department of Emergency Management (MDEM) writes **in support with amendments 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 [State Disaster Relief Fund Working Group](#), 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. The CEA is not an effective or efficient mechanism to support disaster relief and recovery operations in the absence of a federal disaster declaration. There are limited State and local relief programs for communities impacted by disasters, particularly for individuals who are under- or uninsured. The existing programs could be potentially, inequitably applied and are largely loan-based, which place low- and moderate-income residents further behind after a disaster.

This legislation has the potential to fill significant gaps in disaster relief and recovery capabilities at the State and local levels. Numerous studies demonstrate that disasters most frequently and most significantly impact low- and moderate-income families, and disproportionately impact Black, Brown and Indigenous communities, women, and children. Individuals experiencing compounding disasters see their advantages or disadvantages compound as well. For example, [a recent study found](#) that households not protected by flood insurance prior to Hurricane Harvey were provided less support by federal disaster relief programs regardless of financial situation than those with flood insurance. The study also found individuals had exhausted all financial resources, including using retirement savings, and many still were living in homes without completed repairs. **Simply put: our current disaster relief policy leaves many of our neighbors behind.**

While the Federal Stafford Act does potentially provide assistance to individuals through FEMA's Individual Assistance program, it is worth noting that historically an Individual Assistance declaration is extremely difficult to obtain. In the past 20 years, Maryland has only received three IA declarations: Tropical Storm Isabel, Hurricane Sandy, and COVID-19.¹

MDEM believes this Fund will support a system that will give better access to disaster relief programs by providing the flexibility to meet community needs who are typically underserved by federal assistance, and who may have little-to-no support in non-federally declared disasters. **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.**

MDEM participated as a member of the State Disaster Relief Fund Working Group as well as provided staffing to support the effort. The Working Group included a geographically diverse representation from county governments as well as the Maryland Municipal League, the Department of Human Services, and the Maryland Emergency Management Association. The Working Group took into consideration

¹ The COVID-19 Individual Assistance declaration was a unique case and did not include access to the Individuals and Households Program, the program which most traditionally provides direct assistance after disasters.



Wes Moore | Governor
Aruna Miller | Lt. Governor
Russell J. Strickland | Secretary

the many times local emergency management offices have struggled to assist residents when a federal disaster declaration was not available. The full report can be read [here](#).

We would like to recognize and thank Senator Elfreth for being engaged on this critical topic and working closely with the emergency management community to identify a solution to the current policy gap. MDEM has been in touch with the Sponsor and supports the proposed amendments to the bill.

In conclusion, MDEM urges a favorable report with the proposed Sponsor amendments to SB 0650 - State Disaster Recovery Fund.

If you have any questions, please contact Anna Sierra, MDEM legislative liaison: anna.sierra1@maryland.gov.

sb0650f-103823-01.pdf

Uploaded by: Sarah Elfreth

Position: FWA

SB0650/103823/1

BY: Senator Elfreth

(To be offered in the Budget and Taxation Committee and the Education, Energy, and the Environment Committee)

AMENDMENTS TO SENATE BILL 650

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 5, after the first “the” insert “State Disaster Recovery”; in the same line, after “Fund;” insert “authorizing a portion of the State Disaster Recovery Fund to be transferred by the Governor to the Federal Government Shutdown Employee Assistance Loan Fund in the event of a government shutdown; repealing the Catastrophic Event Account; requiring the Governor to transfer the balance of the Catastrophic Event Account to the State Disaster Recovery Fund;”; and after line 11, insert:

“BY repealing

Article – State Finance and Procurement

Section 7–324

Annotated Code of Maryland

(2021 Replacement Volume and 2022 Supplement)”.

AMENDMENT NO. 2

On page 3, in line 9, after “(F)” insert “**(1)**”; in the same line, strike “**BEGINNING IN FISCAL YEAR 2025, THE**” and substitute “**THE**”; in the same line, strike “**SHALL**” and substitute “**MAY**”; in line 10, strike “**A SUFFICIENT**” and substitute “**AN**”; in lines 10 and 11, strike “**BRING THE MINIMUM BALANCE OF**”; in lines 11 and 12, strike “**TO AT LEAST \$20,000,000 AT THE START OF EACH FISCAL YEAR, WITH FUNDS CONSISTING**” and substitute “**.**”

(2) THE FUND SHALL CONSIST”;

and in lines 13, 14, 16, and 19, strike “(1)”, “(2)”, “(3)”, and “(4)”, respectively, and substitute “(I)”, “(II)”, “(III)”, and “(IV)”, respectively.

On page 5, after line 8, insert:

“(L) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AFTER A 15-DAY REVIEW AND COMMENT PERIOD BY THE LEGISLATIVE POLICY COMMITTEE, THE GOVERNOR MAY TRANSFER FUNDS BY BUDGET AMENDMENT FROM THE FUND TO THE EXPENDITURE ACCOUNTS OF THE APPROPRIATE UNIT OF STATE GOVERNMENT.

(2) IF THE FEDERAL GOVERNMENT IS IN A FULL OR PARTIAL SHUTDOWN DUE TO A LAPSE IN APPROPRIATIONS, AFTER A 2-DAY REVIEW AND COMMENT PERIOD BY THE LEGISLATIVE POLICY COMMITTEE, THE GOVERNOR MAY TRANSFER FUNDS BY BUDGET AMENDMENT FROM THE FUND TO THE FEDERAL GOVERNMENT SHUTDOWN EMPLOYEE ASSISTANCE LOAN FUND ESTABLISHED UNDER § 7-327 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

Article – State Finance and Procurement

[7-324.

(a) In this section, “Account” means the Catastrophic Event Account.

(b) Subject to the provisions of this section, the Account is established to enable the State to respond without undue delay to a natural disaster or other catastrophic situation, or federal civilian employee financial hardship from a full or partial federal government shutdown due to a lapse in federal appropriations that cannot be taken care of within the resources of existing appropriations.

(c) The Governor may provide an appropriation in the budget bill to the Account.

(d) (1) Subject to paragraph (2) of this subsection, after a 15-day review and comment period by the Legislative Policy Committee, the Governor may transfer funds by budget amendment from the Account to the expenditure accounts of the appropriate unit of State government.

(2) If the federal government is in a full or partial shutdown due to a lapse in appropriations, after a 2-day review and comment period by the Legislative Policy Committee, the Governor may transfer funds by budget amendment from the Account to the Federal Government Shutdown Employee Assistance Loan Fund established under § 7-327 of this subtitle.

(e) Funds appropriated to the Catastrophic Event Account:

(1) may not be used to offset operating deficiencies in regular programs of State government; but

(2) may be expended to assist a unit of State government in funding costs in connection with a natural disaster, a catastrophic situation, or a full or partial federal government shutdown due to a lapse in appropriations.

(f) (1) The Account is a continuing, nonlapsing fund which is not subject to § 7-302 of this subtitle.

(2) The Treasurer shall separately hold, and the Comptroller shall account for, the Account.

(3) The Account shall be invested and reinvested in the same manner as other State funds.

(Over)

(4) Any investment earnings shall be subject to § 7-311(d) of this subtitle.

(g) Money appropriated to the Account does not revert to the Revenue Stabilization Account.]

SECTION 2. AND BE IT FURTHER ENACTED, That the balance of the Catastrophic Event Account shall be transferred by the Governor to the State Disaster Recovery Fund established under § 14-110.5 of the Public Safety Article, as enacted by Section 1 of this Act.”;

and in line 9, strike “2.” and substitute “3.”.

sb0650f-103823-01_reprint (1).pdf

Uploaded by: Sarah Elfreth

Position: FWA

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SENATE BILL 650

E4

3lr1705
CF HB 789

By: **Senators Elfreth, Bailey, Beidle, Hester, Gile, and Rosapepe**
Introduced and read first time: February 6, 2023
Assigned to: Budget and Taxation and Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

2 **Public Safety - State Disaster Recovery Fund**

3 FOR the purpose of establishing the State Disaster Recovery Fund to provide disaster
4 related assistance under certain circumstances; requiring the Maryland Department
5 of Emergency Management to administer the State Disaster Recovery Fund; authorizing a portion of
the State Disaster Recovery Fund to be transferred by the Governor to the Federal Government Shutdown
Employee Assistance Loan Fund in the event of a government shutdown; repealing the Catastrophic Event
Account; requiring the Governor to transfer the balance of the Catastrophic Event Account to the State
Disaster Recovery Fund; and generally relating to the
6 State Disaster Recovery Fund.

7 BY adding to
8 Article - Public Safety
9 Section 14-110.5
10 Annotated Code of Maryland
11 (2022 Replacement Volume)

BY repealing

Article - State Finance and Procurement
Section 7-324
Annotated Code of Maryland
(2021 Replacement Volume and 2022 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article - Public Safety**

15 **14-110.5.**

16 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
17 **INDICATED.**

18 **(2) "FUND" MEANS THE STATE DISASTER RECOVERY FUND.**

19 **(3) "LOCAL DISASTER DECLARATION" MEANS A FORMAL REQUEST**
20 **FOR STATE DISASTER RELIEF AND RECOVERY ASSISTANCE MADE AS A RESULT OF**
21 **AN EMERGENCY BY THE SENIOR ELECTED OFFICIAL THROUGH THE LOCAL**
22 **ORGANIZATION FOR EMERGENCY MANAGEMENT.**

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(B) THERE IS A STATE DISASTER RECOVERY FUND.

(C) THE PURPOSE OF THE FUND IS TO PROVIDE:

(1) DISASTER RECOVERY ASSISTANCE TO INDIVIDUALS AND FAMILIES WHEN A UNIT OF LOCAL GOVERNMENT HAS SUBMITTED A REQUEST FOR A DISASTER DECLARATION BUT A FEDERAL DISASTER DECLARATION IS NOT RECEIVED;

(2) DISASTER RECOVERY ASSISTANCE TO UNITS OF LOCAL GOVERNMENT OF THE STATE FOR THE REPAIR, RESTORATION, RECONSTRUCTION, OR REPLACEMENT OF A PUBLIC FACILITY DAMAGED OR DESTROYED WHEN A FEDERAL DISASTER DECLARATION IS NOT RECEIVED;

(3) LOW-INTEREST OR NO-INTEREST LOANS TO BUSINESSES AND NONPROFITS FOR DISASTER RECOVERY ASSISTANCE WHEN A FEDERAL DISASTER DECLARATION IS NOT RECEIVED;

(4) DISASTER-RELATED ASSISTANCE FOR UNMET NEEDS OF INDIVIDUALS AND FAMILIES FOLLOWING A FEDERAL DISASTER DECLARATION;

(5) DISASTER-RELATED ASSISTANCE FOR UNMET NEEDS OF INDIVIDUALS AND FAMILIES WHO HAVE BEEN DENIED FEDERAL ASSISTANCE BUT OTHERWISE MEET CRITERIA ESTABLISHED FOR THE FUND; AND

(6) MATCHING FUNDS FOR ASSISTANCE TO INDIVIDUALS AND STATE AND LOCAL GOVERNMENTAL UNITS AFTER A FEDERAL DISASTER DECLARATION.

(D) THE FUND:

(1) IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE;

(2) SHALL BE AVAILABLE IN PERPETUITY FOR THE PURPOSE OF PROVIDING DISASTER RECOVERY ASSISTANCE IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION;

(3) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, MAY BE USED ONLY IF:

(I) THE GOVERNOR HAS DECLARED A STATE OF EMERGENCY;

OR

3

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1 (II) A LOCAL ORGANIZATION FOR EMERGENCY MANAGEMENT
 2 REQUESTS ASSISTANCE FROM THE FUND;

3 (4) IS NOT INTENDED TO DUPLICATE OR REPLACE FEDERAL
 4 DISASTER ASSISTANCE; AND

5 (5) MAY NOT BE USED FOR ANY OTHER PURPOSE OTHER THAN THOSE
 6 DESCRIBED IN THIS SECTION.

7 (E) A PORTION OF THE FUND MAY BE USED TO ADMINISTER THE FUND,
 8 INCLUDING PROVIDING DISASTER CASE MANAGEMENT RESOURCES.

9 (F) ~~(1) BEGINNING IN FISCAL YEAR 2025, THE~~ THE GOVERNOR SHALL
 10 MAY INCLUDE IN
 11 ~~THE ANNUAL BUDGET BILL A SUFFICIENT AN APPROPRIATION TO BRING THE MINIMUM~~
 12 ~~BALANCE OF THE FUND TO AT LEAST \$20,000,000 AT THE START OF EACH FISCAL~~
~~YEAR, WITH FUNDS CONSISTING .~~

(2) THE FUND SHALL CONSIST OF:

13 ~~(1)~~ (I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

14 ~~(2)~~ (II) REPAYMENTS OF PRINCIPAL AND INTEREST FROM LOANS MADE
 15 FROM THE FUND;

16 ~~(3)~~ (III) REIMBURSEMENTS FROM THE FEDERAL GOVERNMENT OR OTHER
 17 LEGAL ENTITIES FOR DISASTER RECOVERY ASSISTANCE EXPENDITURES MADE
 18 FROM THE FUND; AND

19 ~~(4)~~ (IV) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
 20 THE BENEFIT OF THE FUND.

21 (G) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN
 22 THE SAME MANNER THAT OTHER STATE MONEY MAY BE INVESTED.

23 (H) ANY FUNDS EXPENDED FROM THE FUND ARE SUPPLEMENTAL TO AND
 24 ARE NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE
 25 APPROPRIATED TO ELIGIBLE RECIPIENTS FROM THE FUND FOR ANY OTHER
 26 PURPOSE.

27 (I) THE DEPARTMENT SHALL:

28 (1) ADMINISTER THE FUND;

29 (2) ESTABLISH ELIGIBILITY CRITERIA, POLICIES, AND PROCEDURES
 30 FOR THE ADMINISTRATION OF THE FUND, WHILE CONSIDERING EXISTING STATE

4

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1 **DISASTER RECOVERY PROGRAMS AND FEDERAL DISASTER RELIEF AND RECOVERY**
2 **REQUIREMENTS; AND**

3 **(3) CONSULT WITH APPROPRIATE STATE AGENCIES AND LOCAL**
4 **ORGANIZATIONS FOR EMERGENCY MANAGEMENT IN THE DEVELOPMENT OF**
5 **ELIGIBILITY CRITERIA, POLICIES, AND PROCEDURES FOR ADMINISTRATION OF THE**
6 **FUND.**

7 **(J) THE DEPARTMENT MAY ESTABLISH:**

8 **(1) REGULATIONS RELATED TO THE ADMINISTRATION OF THE FUND;**

9 **(2) ACCOUNTS AND SUB-ACCOUNTS WITHIN THE FUND TO**
10 **EFFECTUATE THE PURPOSES OF THIS SECTION; AND**

11 **(3) FORMAL ADVISORY BODIES TO ADVISE ON THE ADMINISTRATION**
12 **OF THE FUND.**

13 **(K) (1) ON OR BEFORE DECEMBER 31, 2023, AND ON OR BEFORE EACH**
14 **DECEMBER 31 THEREAFTER, THE SECRETARY SHALL REPORT TO THE GOVERNOR**
15 **AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE**
16 **GENERAL ASSEMBLY ON THE USE OF THE FUND FOR THE PREVIOUS FISCAL YEAR.**

17 **(2) THE REPORT SHALL INCLUDE:**

18 **(I) THE NUMBER OF STATE OF EMERGENCY DECLARATIONS BY**
19 **THE GOVERNOR;**

20 **(II) THE NUMBER OF LOCAL STATE OF EMERGENCY**
21 **DECLARATIONS AND LOCAL DISASTER DECLARATIONS SUBMITTED TO THE**
22 **SECRETARY AND THE REASON FOR EACH DECLARATION;**

23 **(III) A SUMMARY OF THE DAMAGE ASSESSMENT DATA RELATED**
24 **TO EACH DECLARATION, AND THE DISPOSITION OF EACH REQUEST FOR THE**
25 **PREVIOUS FISCAL YEAR;**

26 **(IV) THE AMOUNT OF FUNDING DISTRIBUTED TO EACH ELIGIBLE**
27 **ENTITY BY THE FUND FOR THE PREVIOUS FISCAL YEAR;**

28 **(V) THE FUND BALANCE AT THE END OF THE PREVIOUS FISCAL**
29 **YEAR;**

5

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1 (VI) ANY FEDERAL DISASTER DECLARATIONS REQUESTED AND
2 ASSOCIATED DAMAGE ASSESSMENT DATA FOR THE PREVIOUS FISCAL YEAR;

3 (VII) A SUMMARY OF ANY FEDERAL DISASTER ASSISTANCE
4 RECEIVED DURING THE PREVIOUS FISCAL YEAR;

5 (VIII) A SUMMARY OF ANY REGULATIONS ISSUED RELATED TO THE
6 FUND DURING THE PREVIOUS FISCAL YEAR; AND

7 (IX) ANY RECOMMENDED CHANGES TO THIS SECTION TO
8 INCREASE THE EFFICIENCY AND EFFICACY OF THE FUND.

(L) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AFTER A 15-DAY REVIEW AND COMMENT PERIOD BY THE LEGISLATIVE POLICY COMMITTEE, THE GOVERNOR MAY TRANSFER FUNDS BY BUDGET AMENDMENT FROM THE FUND TO THE EXPENDITURE ACCOUNTS OF THE APPROPRIATE UNIT OF STATE GOVERNMENT.

(2) IF THE FEDERAL GOVERNMENT IS IN A FULL OR PARTIAL SHUTDOWN DUE TO A LAPSE IN APPROPRIATIONS, AFTER A 2-DAY REVIEW AND COMMENT PERIOD BY THE LEGISLATIVE POLICY COMMITTEE, THE GOVERNOR MAY TRANSFER FUNDS BY BUDGET AMENDMENT FROM THE FUND TO THE FEDERAL GOVERNMENT SHUTDOWN EMPLOYEE ASSISTANCE LOAN FUND ESTABLISHED UNDER § 7-327 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

Article - State Finance and Procurement

[7-324.

(a) In this section, "Account" means the Catastrophic Event Account.

(b) Subject to the provisions of this section, the Account is established to enable the State to respond without undue delay to a natural disaster or other catastrophic situation, or federal civilian employee financial hardship from a full or partial federal government shutdown due to a lapse in federal appropriations that cannot be taken care of within the resources of existing appropriations.

(c) The Governor may provide an appropriation in the budget bill to the Account.

(d) (1) Subject to paragraph (2) of this subsection, after a 15-day review and comment period by the Legislative Policy Committee, the Governor may transfer funds by budget amendment from the Account to the expenditure accounts of the appropriate unit of State government.

(2) If the federal government is in a full or partial shutdown due to a lapse in appropriations, after a 2-day review and comment period by the Legislative Policy Committee, the Governor may transfer funds by budget amendment from the Account to the Federal Government Shutdown Employee Assistance Loan Fund established under § 7-327 of this subtitle.

(e) Funds appropriated to the Catastrophic Event Account:

(1) may not be used to offset operating deficiencies in regular programs of State government; but

(2) may be expended to assist a unit of State government in funding costs in connection with a natural disaster, a catastrophic situation, or a full or partial federal government shutdown due to a lapse in appropriations.

(f) (1) The Account is a continuing, nonlapsing fund which is not subject to § 7-302 of this subtitle.

(2) The Treasurer shall separately hold, and the Comptroller shall account for, the Account.

(3) The Account shall be invested and reinvested in the same manner as other State funds.

(4) Any investment earnings shall be subject to § 7-311(d) of this subtitle.

(g) Money appropriated to the Account does not revert to the Revenue Stabilization Account.]

SECTION 2. AND BE IT FURTHER ENACTED, That the balance of the Catastrophic Event Account shall be transferred by the Governor to the State Disaster Recovery Fund established under § 14-110.5 of the Public Safety Article, as enacted by Section 1 of this Act.

9 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
10 1, 2023.

Testimony SB 650.docx.pdf

Uploaded by: Sarah Elfreth

Position: FWA

SENATOR SARAH ELFRETH
Legislative District 30
Anne Arundel County



James Senate Office Building
11 Bladen Street, Room 104
Annapolis, Maryland 21401
410-841-3578 · 301-858-3578
800-492-7122 Ext. 3578
Fax 410-841-3156 · 301-858-3156
Sarah.Elfreth@senate.state.md.us

Budget and Taxation Committee

Subcommittees

Capital Budget

Pensions

Chair, Public Safety,
Transportation, and Environment

Joint Committee on the Chesapeake and
Atlantic Coastal Bays Critical Area

Chair, Joint Subcommittee on
Program Open Space/Agricultural
Land Preservation

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

March 9, 2023

Testimony in Favor of SB0650
Public Safety - State Disaster Recovery Fund

Chairman Guzzone, Vice-Chair Rosapepe, and members of the Budget and Taxation Committee.

I respectfully request a favorable report of Senate Bill 650, which updates and streamlines our State's ability to respond in the events of disasters by creating the State Disaster Recovery Fund to financially assist local governments with disaster relief.

Last session I introduced Senate Bill 310¹ to build upon the passage of a Departmental bill that allowed Small, Minority, and Woman-Owned Businesses Account (SMWOBA) funds to be converted to grants in the event of a Federal Disaster Declaration or State Disaster Declaration. That legislation as introduced would have allowed a similar conversion to grants in the event of a Local State of Emergency as well. However, after much consideration we believed that SMOWBA funding would not be the best way to accomplish the goal of giving locals more ability to get State support to mitigate the damage of more frequent yet potentially devastating "microstorms." One only has to look to the two 1,000 year floods experienced in Ellicott City or the two tornadoes in one year experienced in Annapolis. In these catastrophic incidents, rapid response to keep people housed, keep businesses open, and keep communities safe is critical. Unfortunately, the current structures and bureaucratic hoops embedded in State government make it nearly impossible to sufficiently and rapidly respond to such disasters.

Last year's legislation became a local Anne Arundel County bill - but we also established a workgroup to study the efficacy and sustainability of our existing emergency fund sources and the establishment of a State Disaster Recovery Fund. I would like to thank the Maryland Department of Emergency Management (MDEM), MACO, MML and everyone that spent the interim serving on the workgroup and developing their [recommendations](#). This legislation is a reflection of those recommendations.

¹ https://mgaleg.maryland.gov/2022RS/chapters_noln/Ch_491_sb0310E.pdf

Since introducing the bill, we have worked with the Governor's Office and Department of Emergency Management (MDEM) on this legislation and the proposed amendments. As amended this legislation will:

1. Create the State Disaster Recovery Fund within the Department of Emergency Management

This new Fund will take the recommendations of the Workgroup to create this new fund with important capabilities to benefit all Marylanders. This new Fund will be authorized to provide:

- Disaster recovery assistance to individuals and families when a local government has submitted a request for a disaster declaration but a Federal Disaster Declaration is not received.
- Assistance to local governments for repair/reconstruction of a public facility when a Federal Disaster Declaration is not received.
- Low interest or no-interest loans to businesses and nonprofits when a Federal Disaster Declaration is not received.
- Assistance to individuals and families following a Federal Disaster Declaration if there are still unmet needs.
- Assistance to individuals and families following denied Federal assistance if they would otherwise meet the criteria established by the Fund.
- Matching funds for assistance to individuals, State, and Local Governmental Units after a Federal Disaster Declaration.

2. Abolishes the "Catastrophic Event Account" and requires a fund balance transfer of the remaining balance to the newly created State Disaster Recovery Fund.

Rather than requiring the \$20M mandated appropriation, with the amendments, we will instead abolish the Catastrophic Event Account and require a fund balance transfer of the \$10.1 million in the Fund to the newly created State Disaster Recovery Fund.

The Catastrophic Event Account is an important tool for our State to provide relief in the event of an emergency/disaster – but it can only be extended to Units of State Government and has to go through long bureaucratic processes with the Legislative Policy Committee. This new Fund will address these concerns by allowing MDEM to quickly get money out the door and also allow locals to request funding from the State Disaster Recovery Fund.

3. Authorize the Fund to be used if the Governor has declared a State of Emergency or if a Local Emergency Management organization requests assistance from the Fund.

Like we saw with the tornado in Annapolis, there may continue to be situations in which a "microstorm" or local flooding event does not generate a full State of Emergency by the Governor - thus leaving State support dollars out of reach for the citizens affected by such disasters.

This legislation will ensure that local governments, in the event of such a small yet damaging emergency, have the ability to request funding from this newly established fund.

4. Require annual reporting from MDEM on the use of the fund as well as on the number of disaster/emergency declarations statewide and locally.

This will ensure that we retain great oversight on the use of the fund but also better track disaster declarations and the damage assessments related to each declaration.

5. Retains the ability for the Governor to transfer funds from the fund by budget amendment to an appropriate unit of State government.

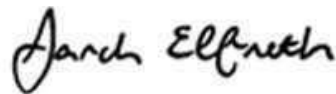
This brings over language from the Catastrophic Event Account to ensure that the Governor has the ability to transfer funds from this new Fund to the appropriate Unit of State Government if needed.

6. Retains the ability for the Governor to transfer funds to the Federal Government Shutdown Employee Assistance Loan Fund in the event of a Federal Government Shutdown.

In 2019 the General Assembly passed the “Federal Shutdown Paycheck Protection Act” to create the Federal Government Shutdown Employee Assistance Loan Fund and authorized Catastrophic Event Account Funds to be transferred to the Loan Fund in the event of a Federal Government shutdown. With the abolishment of the Catastrophic Event Account we wanted to make sure to retain the ability for these funds to be used in such an event.

It is my sincere hope that our districts do not experience another 1,000 year floor, tornado, or devastating natural disaster. Appreciating that such storms will only continue to occur in greater severity and frequency, it is our job to ensure that government is prepared to respond adequately and rapidly. SB650 is critical to such a response.

Sincerely,

A handwritten signature in black ink that reads "Sarah Elfreth". The signature is written in a cursive, flowing style.

Sarah Elfreth