



Office Memorandum

Date: January 15, 2020

To: Senator Julie A. Rosen
Senate Finance Committee
2113 Minnesota Senate Bldg.
St. Paul, MN 55155

Representative Lyndon Carlson, Sr.
House Ways and Means Committee
479 State Office Building
St. Paul, MN 55155

Senator Richard Cohen
2301 Senate Finance Committee
Minnesota Senate Bldg.
St. Paul, MN 55155

Representative Pat Garofalo
House Ways and Means Committee
295 Rev. Dr. Martin Luther King, Jr. Blvd.
St. Paul, MN 55155

From: Commissioner Myron Frans 

Subject: Disaster Contingency Account Transfers and Payments

The purpose of this memo is to provide information about the current balance of the disaster assistance contingency account, transfers to the disaster assistance contingency account from unused general fund disaster appropriations and payments made from the disaster assistance contingency account in calendar year 2019, in accordance with the requirements under M.S. 16A.28 subd. 9 and M.S. 12.221 subd. 6(b).

Current Disaster Assistance Contingency Account Balance

The current unencumbered available balance in the disaster assistance contingency account is \$17,042,583. During calendar year 2019, \$2 million was transferred from the contingency account for federal disaster DR-4442 (a severe winter storm, straight-line winds, and flooding across the western and southern parts of the state). The estimated state cost for DR-4442 is approximately \$9.8 million, and Homeland Security and Emergency Management expects to transfer the remaining \$7.8 million from the contingency account by February 1, 2020. This transfer will reduce the available balance to approximately \$9.2 million.

Transfers to the Disaster Assistance Contingency Account

The following transfers were made to the disaster assistance contingency account from previous disaster appropriations. These transfers were made in accordance with M.S. 16A.28 subd. 9 and M.S. 12.221.

Agency	Program Name	Session Law or Statute	Legal Citation for Transfer	Amount
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	536,050
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	18,529
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	2,264
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	469,878
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	192,091

DPS	Disaster Match	MS 12.221 6	MS 12.221 6	2,098
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	5,072
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	8,265
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	3,079
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	66,913
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	104,299
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	6,718
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	74
DPS	Disaster Match	MS 16A.28 9	MS 12.221 3	6,278
DPS	Disaster Match	MS 12.221 6	MS 12.221 3	229,115
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	33,397
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	99,980
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	8,080
DPS	Disaster Match	MS 12.221 6	MS 12.221 3	44,091
DPS	Disaster Match	MS 12.221 6	MS 12.221 6	3,304
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221	23,150
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221	112,875
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221	4,947
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221	41,169
DPS	Disaster Match	121 001 01 003 002	16A.28 9	259,427
DPS	Disaster Match	13 141 01 001 01A	16A.28 9	1,969
DPS	Disaster Match	131 001 01 001 000	16A.28 9	2,233
DPS	Disaster Match	131 001 01 001 000	16A.28 9	16,419
DPS	Disaster Match	131 001 01 001 000	16A.28 9	10,434
DPS	Disaster Match	131 001 01 001 000	16A.28 9	687
DPS	Disaster Match	131 001 01 001 000	16A.28 9	14,397
DPS	Disaster Match	131 001 01 001 000	16A.28 9	1,960
DPS	Disaster Match	131 001 01 001 000	16A.28 9	411
DPS	Disaster Match	111 007 10 005 001	16A.28 9	17,313
DPS	Disaster Match	111 007 10 005 001	16A.28 9	6,915
DPS	Disaster Match	111 007 10 005 001	16A.28 9	887
DPS	Disaster Match	111 007 10 005 001	16A.28 9	25,873
DPS	Disaster Match	111 007 10 005 001	16A.28 9	18,907
DPS	Disaster Match	111 007 10 005 001	16A.28 9	60,661
BWSR	Disaster Match	15 002 00 004 001	16A.28 9	210

Calendar Year 2019 Expenditures

A report is attached detailing spending from the disaster contingency account in calendar year 2019 in accordance with the requirement under M.S. 12.221 subd.6(d). A total of \$16,140,434 has been allocated and encumbered for federal and state declared disasters in 2019. Of that amount and previous years' transfers, \$10,671,088 has been paid out to aid recipients.

The fundamental reason for the difference between the amounts allocated and encumbered for specific disasters and the actual spending is cycle time. The typical fiscal life cycle for a state disaster, from declaration to closeout, is 18 months. For a federal disaster it is 72 months. Once HSEM determines the amount to be spent on each event, they establish a specific disaster sub-appropriation and transfer that amount from the Disaster Account. The amount transferred from the Disaster Account for each declared disaster is based on formal, on the ground, documented damage assessments and is not a general estimate. The figures are particularly accurate for state disasters, which are much easier to budget for because of their more limited scope and minimal changes to the project worksheets. The practice of establishing a separate appropriation for each disaster and setting aside the amount needed to pay the state’s obligation gives a much clearer picture of the progress towards closing out each disaster and knowing how much funding is available for future events.

The table below shows the disasters that received funds from the disaster assistance contingency account in calendar year 2019. Incidents named with an “SD” are state declared disasters and incidents named with a “DR” are federally declared disasters.

Incident Name	Incident Date	County/Tribe – Description (PDA)	Transfer Amount	Expenditures in 2019
SD-037	September 24, 2019	Wabasha – severe thunderstorm with tornado.	108,850	
SD-036	March 12 – April 28, 2019	Dakota and Pope – severe spring weather with flooding, ice, and damaging winds. Supplemental to DR-4442.	1,334,795	
SD-035	September 10 – 15, 2019	Murray, Pipestone, Rock, and Traverse – severe thunderstorms with heavy rains and flooding.	476,383	757
SD-034	July 16-20, 2019	Blue Earth, Cottonwood, Dodge, Fillmore, Freeborn, Houston, Le Sueur, Wabasha, and Winona –severe thunderstorms with damaging winds, heavy rainfalls, and flooding.	2,163,379	3,022
SD-033	June 27 – July 7, 2019	Dodge, Goodhue, Fillmore, Olmsted, Redwood, Renville and Wabasha – severe thunderstorms with heavy rains and flash flooding.	4,154,635	107,099
DR-4442	March 12 – April 28, 2019	Big Stone, Blue Earth, Brown, Chippewa, Clay, Cottonwood, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Grant, Houston, Jackson, Kittson, Lac Qui Parle, Le Sueur, Lincoln, Lyon, Mahnomen, Marshall, Martin, McLeod, Mower, Murray, Nicollet, Nobles, Norman, Olmsted, Pennington, Pipestone, Polk, Ramsey, Red Lake, Redwood, Renville, Rock, Roseau, Scott, Sibley, Steele, Stevens, Swift, Traverse, Wabasha, Waseca, Washington, Watonwan, Wilkin, Winona, and Yellow Medicine Counties and the Prairie Island Indian Community, Red Lake Band of Chippewa, Upper Sioux Community, and the White Earth Nation – severe spring weather with flooding, ice, and damaging winds.	2,000,000	29,309
DR-4414	October 9-11, 2018	St. Louis – gale force windstorm with storm surge flooding and damaging waves at Duluth.	2,887,390	

Incident Name	Incident Date	County/Tribe – Description (PDA)	Transfer Amount	Expenditures in 2019
SD-032	September 18 -20, 2018	Faribault, Goodhue, Le Sueur, Martin, Prairie Island Indian Community, Renville, Rice, Steele, Waseca – severe thunderstorms with heavy rains, damaging winds, and tornadoes.	488,243	2,764,953
SD-031	October 3-4, 2018	Cook – severe windstorm downing trees and powerlines and blocking roads.	4,385	21,778
SD-030	August 31 – Sept. 2, 2018	Aitkin – severe thunderstorms with strong winds and hail.	17,132	98,618
SD-029	August 27-28, 2018	Houston, Koochiching – Torrential rains, flash flooding, and high winds.	209,778	513,252
DR-4390	June 15 – July 11, 2018	Aitkin, Beltrami, Blue Earth, Brown, Carlton, Cass, Clearwater, Cottonwood, Faribault, Itasca, Jackson, Kanabec, Koochiching, Lake, Lyon, Martin, Murray, Nicollet, Nobles, Pine, Pipestone, Polk, Redwood, Renville, Rock, St. Louis, Sibley, Watonwan, Leech Lake Band of Ojibwe, Red Lake Nation, White Earth Nation – Series of severe thunderstorms with heavy rains, flooding, damaging winds, and tornadoes.	1,502,877	5,522,409
SD-028	June 9-10, 2018	Fillmore and Red Lake – Severe thunderstorms with heavy rains and flooding.	130,995	118,225
SD-027	April 28, 2018	Ramsey – Wabasha Street landslide at St. Paul.	23,150	722,614
SD-026	April 21 – May 17, 2018	Lac qui Parle and Marshall – Rapid spring snowmelt flooding.	2,649	9,887
SD-025	April 13 – 4 May 2018	Nobles, Rock, and St. Louis – Severe late winter storm with strong winds, heavy snow and subsequent rapid snowmelt flooding.	25,193	25,934
SD-024	October 27, 2017	St. Louis – Major winter storm with snow and gale force winds.	62,459	102,005
SD-023	October 2, 2017	Redwood and Renville – Severe thunderstorms with heavy rains and flooding.		50,063
SD-021	August 16, 2017	Redwood and Renville – Severe thunderstorms with heavy rain and flooding.	17,869	312
SD-019	July 11-12, 2017	Becker, Clay and Norman – Severe thunderstorms, heavy rains, and large hail.		483
SD-018	June 11, 2017	Anoka – Severe thunderstorms, heavy rains, and large hail.	2,669	3,203
SD-014	March 6, 2017	Freeborn – Severe thunderstorms, high winds, and a tornado.	28,436	115,157
DR-4290	September 21-24, 2016	Blue Earth, Fillmore, Freeborn, Goodhue, Hennepin, Houston, Le Sueur, Rice, Steele, and Waseca – Severe storms and flooding.	73,269	23,260

Incident Name	Incident Date	County/Tribe – Description (PDA)	Transfer Amount	Expenditures in 2019
SD-008	July 9, 2016	Aitkin, Benton, Carlton, Crow Wing, Kanabec, Meeker, Mille Lacs, Morrison, Pine, and Traverse – severe thunderstorms, tornados, heavy rains, flooding.	325,179	544
DR-4182	June 11 – July 11, 2014	Beltrami, Blue Earth, Brown, Carver, Chippewa, Dodge, Faribault, Freeborn, Hennepin, Jackson, Koochiching, Lac qui Parle, Lake of the Woods, Le Sueur, Lyon, Marshall, Martin, McLeod, Murray, Nicollet, Nobles, Pipestone, Ramsey, Redwood, Renville, Rice, Rock, Roseau, Scott, Sibley, Steele, Todd, Wadena, Waseca, Watonwan, Wright, Yellow Medicine, Bois Fort Band, Prairie Island Community, and Red Lake Nation – severe storms, straight line winds, flooding, landslides and mudslides.	47,470	201,869
DR-4131	June 20-26, 2013	Benton, Big Stone, Douglas, Faribault, Fillmore, Freeborn, Grant, Hennepin, Houston, McLeod, Morrison, Pope, Sibley, Stearns, Stevens, Swift, Traverse, and Wilkin – severe storms, straight-line winds and flooding.	33,754	34,072
DR-4113	April 9-11, 2013	Cottonwood, Jackson, Murray, Nobles, and Rock – Severe ice storm with high winds.	264	264
DR-4069	June 14-21, 2012	Aitkin, Carlton, Cass, Cook, Crow Wing, Dakota, Goodhue, Itasca, Kandiyohi, Lake, Lake of the Woods, Meeker, Pine, Rice, St. Louis, Sibley, Fond du Lac Band of Lake Superior Chippewa, Grand Portage Band of Lake Superior Chippewa, Mille Lacs Band of Ojibwe – severe storms and flooding.	17,489	935
DR-1982	March 16 – May 25, 2011	Becker, Beltrami, Big Stone, Blue Earth, Brown, Carver, Chippewa, Clay, Grant, Kittson, Lac qui Parle, Le Sueur, Lyon, Marshal, McLeod, Nicollet, Norman, Otter Tail, Polk, Ramsey, Red Lake, Redwood, Renville, Roseau, Scott, Sibley, Stevens, Swift, Traverse, Washington, Wilkin, Wright, and Yellow Medicine – Severe storms and spring flooding.	1,742	1,772
DR-1941	September 22 – October 14, 2010	Blue Earth, Brown, Carver, Cottonwood, Dodge, Faribault, Freeborn, Goodhue, Jackson, Le Sueur, Lincoln, Lyon, Martin, Mower, Murray, Nicollet, Nobles, Olmsted, Pipestone, Redwood, Rice, Rock, Sibley, Steele, Wabasha, Waseca, Watonwan, Winona, and Yellow Medicine – Severe storms and flooding.		199,292
			16,140,434	10,671,088