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# MANAGEMENT AND BUDGET

# Office Memorandum

Date: January 15, 2021

To: Senator Julie Rosen, Senate Finance Committee Senator John Marty, Senate Finance Committee Representative Rena Moran; House Ways and Means Committee Representative Pat Garofalo, House Ways and Means Committee

From: Commissioner Jim Schowalter

Subject: Disaster Contingency Account Transfers and Payments

Dear Senators and Representatives:

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 2020, 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**

As of January 15, 2021 the unencumbered available balance in the disaster assistance contingency account is \$3,848,832.

### Transfers to the Disaster Assistance Contingency Account

As of January 15, 2021, \$50 million has been appropriated from the general fund for transfer to the disaster account during the FY 2020-2021 biennium.

Fiscal Year	Amount	Legal Citation	Date Transferred
2020	20,000,000	191 003 01 011 01(1)	10/9/2019
2020	30,000,000	020 068 01 01	4/6/2020

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	M.S. 12.221 6	M.S. 12.221 6	45
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	643,663
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	38,830
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	55,065
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	66,168
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	4,209
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	202,257
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	551

DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	44,258
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	17,617
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	14,595
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	18,416
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	15,116
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	83,270
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	5,210
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	25,030
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	790,704
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	72,883
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	5,037
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	1,429
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	1,667,925
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	9,461
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	36,461
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	8,111
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	976
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	500,000
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	8
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	10,617
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	100,847
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	10,396
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	4,632
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	35,676
DPS	Disaster Match	M.S. 12.221 6	M.S. 12.221 6	131,097
DPS	Disaster Match	111 001 01 011 002	M.S. 16A.28 9	325,749
DPS	Disaster Match	121 001 01 003 002	M.S. 16A.28 9	35,331
DPS	Disaster Match	191 005 01 012 02C	M.S. 16A.28 9	59,477

### Calendar Year 2020 Expenditures

The table below details spending from the disaster contingency account in calendar year 2020 in accordance with the requirement under M.S. 12.221 subd.6(d). A total of \$48,131,452 has been allocated and encumbered for federal and state declared disasters in 2020. Of that amount and previous years' transfers, \$21,989,138 was expended in 2020.

The 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, and for a federal disaster it is 72 months. Once Homeland Security and Emergency Management (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 2020. Incidents named with an "SD" are state declared disasters and incidents named with a "DR" are federally declared disasters.

Incident			Transfer	Expenditures
Name	Incident Date	County/Tribe – Description (PDA)	Amount	in 2020
SD-052	August 13-14,	Cass, Itasca and Norman – severe thunderstorms	236,175	51,727
	2020	with heavy rains and strong winds (\$291,284)		
SD-051	August 8, 2020	Goodhue and Yellow Medicine – severe	187,900	3,893
		thunderstorms with damaging winds and heavy		
		rains (\$234,866)		
SD-050	July 25-27, 2020	Nicollet, Renville and Sibley – flooding and slope	331,383	0
		failures caused by heavy rains (\$415,177).		
SD-049	May 27 –	Hennepin – damages caused by fires during civil	12,524,149	0
	June 3, 2020	unrest. (\$15,658,865)		
SD-048	July 15-17, 2020	Cass, Kittson, Marshall – severe thunderstorms	132,761	100,914
		with heavy rains and flooding (\$152,225).		
SD-047	July 6-8, 2020	Wilkin – severe thunderstorms with damaging	34,216	23,599
		winds. (\$42,995)		
SD-046	June 23 – July 3,	Kittson, Le Sueur, Morrison, Nicollet, Renville, and	325,656	95,935
	2020	Washington – series of severe thunderstorms with		
		heavy rains and flooding. (\$1,869,490)		
SD-045	June 17,2020	Roseau – thunderstorm with heavy rain. (\$96,965)	263,266	30,460
SD-044	June 7-10, 2020	Kittson – series of severe thunderstorms with	258,362	175,903
		heavy rains and flooding. (\$322,961)		
SD-043	March 9 –	Hubbard, Kittson, Marshall, Norman and Polk –	1,701,878	558,341
	7 May, 2020	spring flooding caused by high soil moisture		
		content, heavy snowfall, and excessive rain.		
		(\$1,860,231)		
SD-042	March 29, 2020	Morrison – heavy rain and snow. (\$244,000)	335,310	323,110
DR-4531	January 20,	All areas of the state of Minnesota for COVID-19	131,097	15,411
	2020 and	response and recovery. (TBD)		
	continuing			
SD-041	December 28-	Renville – severe winter storm with icing, heavy	94,700	69,231
	30, 2019	snow, and strong winds. (\$90,200)		
SD-040	September 20 –	Carlton, Kittson, Lake of the Woods, Marshall and	1,577,050	273,504
	October 17,	Roseau heavy rains and flooding. (\$1,325,466)		
	2019			
SD-039	October 12,	Grand Portage Band of Lake Superior Chippewa –	199,658	0
	2019	gale force winds and severe shoreline erosion	-	
		(\$253,535)		
SD-038	October 21,	Cass and Itasca – severe thunderstorm with gale	207,668	122,586
	2019	force winds and heavy rain. (\$160,842)		

Incident Name	Incident Date	County/Tribe – Description (PDA)	Transfer Amount	Expenditures in 2020
SD-036	March 12 – April 28, 2019	Dakota and Pope – severe spring weather with flooding, ice, and damaging winds. Supplemental to DR-4442. (\$1,673,860)	35,811	262,171
SD-035	September 10 – 15, 2019	Murray, Pipestone, Rock, and Traverse – severe thunderstorms with heavy rains and flooding (\$620,005)	166,666	355,915
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. (\$2,060,361)	51,267	484,565
SD-033	June 27 – July 7, 2019	Dodge, Goodhue, Fillmore, Olmsted, Redwood, Renville and Wabasha – severe thunderstorms with heavy rains and flash flooding. (\$5,098,469)	385,970	1,268,581
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. (\$101,736,000*)	21,752,000	11,868,142
DR-4414	October 9-11, 2018	St. Louis – gale force windstorm with storm surge flooding and damaging waves at Duluth (\$11,549,561).	52,746	52,746
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. (\$4,870,407)	234,513	307,111
SD-031	October 3-4, 2018	Cook – severe windstorm downing trees and powerlines and blocking roads. (\$127,735)	0	62,229
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. (\$21,755,330)	549,563	649,953

Incident			Transfer	Expenditures
Name	Incident Date	County/Tribe – Description (PDA)	Amount	in 2020
SD-028	June 9-10, 2018	Fillmore and Red Lake – Severe thunderstorms	31,025	77,839
		with heavy rains and flooding. (\$267,640)		
SD-025	April 13 –	Nobles, Rock, and St. Louis – Severe late winter	2,466,854	1,133,826
	4 May 2018	storm with strong winds, heavy snow and		
		subsequent rapid snowmelt flooding. (\$1,459,596)		
SD-024	October 27,	St. Louis – Major winter storm with snow and gale	3,739,554	2,627,708
	2017	force winds. (\$2,834,840)		
SD-018	June 11, 2017	Anoka – Severe thunderstorms, heavy rains, and	102,526	195,982
		large hail. (\$696,517)		
DR-4290	September 21-	Blue Earth, Fillmore, Freeborn, Goodhue,	0	23,521
	24, 2016	Hennepin, Houston, Le Sueur, Rice, Steele, and		
		Waseca – Severe storms and flooding.		
		(\$8,305,303)		
SD-008	July 9, 2016	Aitkin, Benton, Carlton, Crow Wing, Kanabec,	0	256,969
		Meeker, Mille Lacs, Morrison, Pine, and Traverse –		
		severe thunderstorms, tornados, heavy rains,		
		flooding. (\$7,290,132)		
DR-4182	June 11 – July	Beltrami, Blue Earth, Brown, Carver, Chippewa,	19,907	385,793
	11, 2014	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		
		Indian Community, and Red Lake Nation – severe		
		storms, straight line winds, flooding, landslides		
		and mudslides. (\$30,370,144)		
DR-1941	September 22 –	Blue Earth, Brown, Carver, Cottonwood, Dodge,	1,823	131,474
	October 14,	Faribault, Freeborn, Goodhue, Jackson, Le Sueur,		
	2010	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. (\$44,896,556)		
			\$48,131,452	\$21,989,138