

Memo

Date: January 19, 2023

To: Senator John Marty
Senate Finance Committee
3235 Minnesota Senate Bldg.
St. Paul, MN 55155

Senator Eric Pratt
Senate Finance Committee
2217 Minnesota Senate Bldg.
St. Paul, MN 55155

Representative Liz Olson
House Ways and Means Committee
479 Rev. Dr. Martin Luther King Jr. Blvd.
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 Jim Schowalter



RE: Disaster Assistance 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 disaster appropriations and payments made from the disaster assistance contingency account in calendar year 2022, in accordance with the requirements under M.S. 16A.28 subd. 9 and M.S. 12.221 subd. 6.

Current Disaster Assistance Contingency Account Balance

As of January 1, 2023, the unencumbered available balance in the disaster assistance contingency account was \$7,782,574.

Transfers to the Disaster Assistance Contingency Account

The Disaster Assistance Contingency Account was last replenished in calendar year 2021 when \$30,000,000 was transferred from the general fund to the disaster assistance contingency account as directed by 2021 1st Special Session, Chapter 11, Article 1, Section 21.

During calendar year 2022, 22 transfers from 15 disaster appropriations totaling \$1,679,758 were made to the disaster assistance contingency account in accordance with M.S. 16A.28 subd. 9 and M.S. 12.221 subd. 6. Individual amounts that comprise these totals can be provided by written request.

Calendar Year 2022 Expenditures

The table below details spending from the disaster assistance contingency account in calendar year 2022 in accordance with the requirement under M.S. 12.221 subd.6(d). A total of \$25,435,134 has been allocated in 2022 for federal and state declared disasters. Of that amount and previous years' transfers, \$8,384,070 was expended in 2022.

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 72 months for a federal disaster. Once the Department of Public Safety's Division of Homeland Security and Emergency Management (HSEM) determines the amount to be spent on each event, they establish a specific disaster sub-appropriation and transfer the necessary amount from the disaster assistance contingency 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 generally more 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 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 2022. Incidents named with an "SD" are state declared disasters and incidents named with a "DR" are federally declared disasters.

Table 1: CY 2022 Disaster Assistance Contingency Account Transfers and Payments

Incident Name	Incident Date(s)	County/Tribe – Description (Preliminary Damage Assessment)	Transfers	Expenditures
SD-069	November 10, 2022	St. Louis – severe thunderstorm with gale force winds that damaged shoreline infrastructure. (\$667,680)	\$0	\$0
SD-068	August 24, 2022	Houston – severe thunderstorms and flooding with heavy rains, large hail, and damaging winds. (\$117,000)	94,076	0
SD-067	July 23, 2022	Houston and Renville – severe thunderstorms with damaging winds, tornadoes, heavy rains and flooding. (\$408,269)	326,202	0
SD-066	June 20-24, 2022	Aitkin, Cass, Crow Wing, Itasca, Lac qui Parle, Morrison, Norman, St. Louis and Todd – severe thunderstorms with damaging winds, heavy rains, and flooding. (\$5,336,809)	4,322,857	0

Incident Name	Incident Date(s)	County/Tribe – Description (Preliminary Damage Assessment)	Transfers	Expenditures
SD-065	April 22 – June 15, 2022	Becker – spring snowmelt and rain-induced riverine and lake flooding. (\$100,240)	89,713	0
SD-064	July 5, 2022	Freeborn, Rock, Cottonwood – severe thunderstorms with heavy rains and flash flooding. (\$338,362)	268,847	0
SD-063	June 13, 2022	Cottonwood – Severe thunderstorm with heavy rains and flash flooding. (\$62,447)	50,355	0
DR-4666	May 29-30, 2022	Aitkin, Big Stone, Cass, Chippewa, Crow Wing, Douglas, Grant, Itasca, Kanabec, Kandiyohi, Lac qui Parle, Lyon, Nobles, Pine, Pope, Renville, Rock, Stevens, Swift, Todd, Traverse, Wadena, and Yellow Medicine – severe thunderstorms, straight-line winds, tornadoes and flooding. (\$11,436,000)	2,859,000	94,885
DR-4659	April 22 – June 15, 2022	Beltrami, Clearwater, Cook, Kittson, Koochiching, Lake, Lake of the Woods, Mahnomen, Marshall, Norman, Pennington, Polk, Red Lake, Roseau and St. Louis counties and the Bois Forte Band of Chippewa, Leech Lake Band of Ojibwe, Red Lake Nation and White Earth Nation – spring snowmelt and rain-induced riverine and lake flooding. (\$24,436,000)	6,109,000	432,475
SD-062	May 8-13, 2022	Benton, Lyon, McLeod and Murray – severe thunderstorms with heavy rains, flash flooding, damaging winds, large hail, and tornadoes. Supplemental to DR-4658. (\$310,597)	248,448	17,056
DR-4658	May 8-13, 2022	Aitkin, Big Stone, Cass, Chippewa, Cottonwood, Douglas, Grant, Kandiyohi, Lac qui Parle, Lincoln, Morrison, Nobles, Pope, Redwood, Renville, Stearns, Stevens, Swift, Todd, Traverse, Wadena, Wilkin and Yellow Medicine – severe thunderstorms with heavy rains, flash flooding, damaging winds, large hail, and tornadoes. (\$14,472,000)	3,618,000	236,783

Incident Name	Incident Date(s)	County/Tribe – Description (Preliminary Damage Assessment)	Transfers	Expenditures
SD-061	May 19, 2022	Winona – severe thunderstorm with heavy rain, flash flooding and slope failures. (\$173,000)	146,994	11,594
SD-060	April 12, 2022	Fillmore, Mower, Norman and Rice – severe thunderstorms that produced heavy rains, large hail, damaging winds, and several tornadoes. (\$1,362,511)	1,105,422	111,296
SD-059	March 17 – April 2, 2022	Big Stone, Stevens and Traverse – rapid spring snowmelt causing riverine and overland flooding. (\$267,071)	213,603	720
SD-058	December 15-16, 2021	Dodge, Fillmore, Freeborn, Houston, Mower, Olmsted, Steele, Wabasha – severe thunderstorms with multiple tornadoes, damaging winds, rain, sleet, ice and snow. (\$3,151,145)	2,621,873	535,812
SD-056	August 7, 2021	Houston – severe thunderstorms with heavy rains and flash flooding. (\$211,727)	816	28,369
SD-055	July 23, 2021	Itasca – severe thunderstorm with damaging winds. (\$1,330,613)	110,360	361,960
SD-054	May 19 – 20, 2021	Marshall – severe thunderstorm with heavy rains and flooding. (\$113,210)	18,112	18,112
SD-050	July 25 – 27, 2020	Nicollet, Renville, and Sibley – flooding and slope failures caused by heavy rains. (\$415,177)	38,499	62,200
SD-046	June 23 – July 3, 2020	Kittson, Le Sueur, Morrison, Nicollet, Renville, and Washington – series of severe thunderstorms with heavy rains and flooding. (\$1,869,490)	3,075	3,075
SD-044	June 7 – 10, 2020	Kittson – series of severe thunderstorms with heavy rains and flooding. (\$322,961)	6,352	6,352

Incident Name	Incident Date(s)	County/Tribe – Description (Preliminary Damage Assessment)	Transfers	Expenditures
SD-043	March 9 – May 7, 2020	Hubbard, Kittson, Marshall, Norman and Polk – spring flooding caused by high soil moisture content, heavy snowfall, and excessive rain. (\$1,860,231)	88,753	88,753
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)	167,658	1,707,827
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)	0	20,314
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)	0	24,653
DR-4414	October 9 – 11, 2018	St. Louis – gale force windstorm with storm surge flooding and damaging waves at Duluth. (\$11,549,561)	157,552	50,510

Incident Name	Incident Date(s)	County/Tribe – Description (Preliminary Damage Assessment)	Transfers	Expenditures
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)	350,451	79,209
SD-025	April 13 – May 4, 2018	Nobles, Rock, and St. Louis – Severe late winter storm with strong winds, heavy snow and subsequent rapid snowmelt flooding. (\$1,459,596)	1,121,359	1,122,171
SD-024	October 27, 2017	St. Louis – Major winter storm with snow and gale force winds. (\$2,834,840)	1,280,832	3,119,318
DR-4290	September 21 – 24, 2016	Blue Earth, Fillmore, Freeborn, Goodhue, Hennepin, Houston, Le Sueur, Rice, Steele, and Waseca – Severe storms and flooding. (\$8,305,303)	0	26,187
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 Indian Community, and Red Lake Nation – severe storms, straight line winds, flooding, landslides and mudslides. (\$30,370,144)	16,946	224,439
Total:			\$25,435,134	\$8,384,070