

## Memo

**Date:** 01/15/2025

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

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

Representative Zack Stephenson  
House Ways and Means Committee  
5<sup>th</sup> Floor, Centennial Office Building  
St Paul, MN 55155

Representative Paul Torkelson  
House Ways and Means Committee  
2<sup>nd</sup> Floor, Centennial Office Building  
St Paul, MN 55155

**From:** Commissioner Erin Campbell

*EC*

### **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 2024. This information is provided in accordance with the requirements under M.S. 16A.28 subd. 9, M.S. 16A.286, and M.S. 12.221 subd. 6.

#### **Current Disaster Assistance Contingency Account Balance**

As of January 1, 2025, the unencumbered available balance in the disaster assistance contingency account was \$31,068,006.

#### **Transfers to the Disaster Assistance Contingency Account**

The disaster assistance contingency account was last replenished in October 2024 when \$50,000,000 was transferred from the general fund to the account. Minnesota Laws 2024, Chapter 123, Article One, Section 14, required the commissioner of MMB to transfer from the general fund to the disaster assistance contingency account an amount equal to the lesser of (1) the difference between the general fund final closing balance and the projected ending balance for fiscal year 2024, or (2) the difference between \$50 million and the balance in the disaster assistance contingency account on June 30, 2024 if the general fund final closing balance for fiscal year 2024 exceeds the projected ending balance for the fiscal year. The legislature directed MMB to make this transfer by October 15, 2024. The fiscal year 2024 closing balance in the general fund exceeded the projected closing balance at the end of the 2024 legislative session by more than \$50 million. The disaster assistance

contingency account’s balance was \$0 on June 30, 2024, and as a result, \$50 million was transferred from the general fund to the account on October 15, 2024.

Minnesota Statutes 16A.286, established during the 2024 legislative session, also as part of Laws 2024, Chapter 123, requires that by October 15 each year, the commissioner of MMB must transfer from the general fund to the disaster assistance contingency account an amount equal to the difference between the general fund final closing balance for a biennium and the projected ending balance for that biennium as of the end of the previous regular legislative session, up to an amount that would bring the account to \$50,000,000. Before the establishment of this statute, the account was generally replenished on an ad-hoc basis.

During calendar year 2024, 15 transfers from 15 disaster appropriations totaling \$2,132,695 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 2024 Expenditures**

The table below details spending from the disaster assistance contingency account in calendar year 2024 in accordance with the requirement under M.S. 12.221 subd.6(d). A total of \$51,372,034 was allocated in 2024 for federal- and state-declared disasters. Of that amount and previous years’ transfers, \$19,131,480 was expended in 2024.

The table notes both the amounts transferred for specific disasters and the actual spending in calendar year 2024. These amounts typically differ due to 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 2024. Incidents named with an “SD” are state declared disasters and incidents named with a “DR” are federally declared disasters.

**Table 1: CY 2024 Disaster Assistance Contingency Account Transfers and Payments**

Incident Name	Incident Date(s)	County/Tribe – Description (Preliminary Damage Assessment)	Transfers (\$)	Expenditures (\$)
SD-080	July 31, 2024	Beltrami, Big Stone, and Todd – Flooding. (\$639,005)	479,254	-

<b>Incident Name</b>	<b>Incident Date(s)</b>	<b>County/Tribe – Description (Preliminary Damage Assessment)</b>	<b>Transfers (\$)</b>	<b>Expenditures (\$)</b>
SD-079	July 26, 2024	Marshall – Flooding. (\$67,500)	46,913	-
DR-4797	June 16 – July 4, 2024	Blue Earth, Brown, Carver, Cass, Cook, Cottonwood, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Houston, Itasca, Jackson, Lake, Le Sueur, Martin, McLeod, Mower, Murray, Nicollet, Nobles, Pipestone, Redwood, Renville, Rice, Rock, Sibley, St. Louis, Steele, Wabasha, Waseca, Watonwan, and Winona – Flooding. (\$51,363,632)	42,707,740	455,659
SD-078	June 12, 2024	Aitkin and Crow Wing – Severe storms and high winds. (\$717,850)	538,388	-
SD-077	June 2, 2024	Big Stone, Rice, Sibley, and Todd – Heavy rain and flooding. (\$2,099,185)	1,856,980	79,746
SD-076	May 21, 2024	Mower – Severe storms and high winds. (\$400,000)	300,000	-
SD-075	September 23-25, 2023	St. Louis – Storms and flooding. (\$1,480,360)	1,246,376	13,561
SD-074	April 11-30, 2023	Cass, Itasca, Lyon, Polk, Ramsey, Redwood, and Washington (applicants who did not meet threshold for DR-4722) – Severe storms and flooding. (\$3,271,250)	495,525	1,570,541
DR-4722	April 11-30, 2023	Aitkin, Big Stone, Carlton, Chippewa, Clay, Grant, Houston, Kittson, Lac Qui Parle, Lake of the Woods, Mahnomen, Marshall, Mille Lacs, Morrison, Norman, Pine, Pope, Renville, Roseau, Saint Louis, Stevens, Swift, Traverse, Wabasha, Wilkin, and the Prairie Island Indian Community – Severe storms and flooding. (\$10,591,127)	566,930	2,313,867
SD-073	June 25-26, 2023	Kandiyohi, Pope, and Stevens – Severe storms and high winds. (\$374,680)	65,557	346,567

<b>Incident Name</b>	<b>Incident Date(s)</b>	<b>County/Tribe – Description (Preliminary Damage Assessment)</b>	<b>Transfers (\$)</b>	<b>Expenditures (\$)</b>
SD-072	May 11, 2023	Brown, Cottonwood, Sibley, Waseca, and Watonwan – Significant rain, flooding. (\$1,135,280)	2,697	311,645
SD-071	March 31 – April 1, 2023	Washington – Several winter ice, snowstorm. (\$1,559,100)	423,235	1,584,431
SD-070	December 13-16, 2023	Aitkin, Carlton, Cass, Crow Wing, Lincoln, Pine, and St. Louis – Heavy snowstorm, high winds. (\$4,447,060)	1,887,295	5,746,918
SD-069	November 10, 2022	St. Louis – severe thunderstorm with gale force winds that damaged shoreline infrastructure. (\$667,680)	-	225,250
SD-067	July 23, 2022	Houston and Renville – severe thunderstorms with damaging winds, tornadoes, heavy rains, and flooding. (\$408,269)	56,534	180,254
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)	76,476	2,133,398
SD-065	April 22 – June 15, 2022	Becker – spring snowmelt and rain-induced riverine and lake flooding. (\$100,240)	5,531	9,656
SD-064	July 5, 2022	Freeborn, Rock, and Cottonwood – severe thunderstorms with heavy rains and flash flooding. (\$338,362)	12,318	24,512
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)	-	500,062

<b>Incident Name</b>	<b>Incident Date(s)</b>	<b>County/Tribe – Description (Preliminary Damage Assessment)</b>	<b>Transfers (\$)</b>	<b>Expenditures (\$)</b>
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)	53,316	313,366
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)	26,427	53,872
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)	391,059	928,676
SD-061	May 19, 2022	Winona – severe thunderstorm with heavy rain, flash flooding and slope failures. (\$173,000)	48,612	108,612
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)	5,821	177,154
SD-059	March 17 – April 2, 2022	Big Stone, Stevens, and Traverse – rapid spring snowmelt causing riverine and overland flooding. (\$267,071)	-	22,711
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)	38,610	184,628

<b>Incident Name</b>	<b>Incident Date(s)</b>	<b>County/Tribe – Description (Preliminary Damage Assessment)</b>	<b>Transfers (\$)</b>	<b>Expenditures (\$)</b>
SD-054	May 19 – 20, 2021	Marshall – severe thunderstorm with heavy rains and flooding. (\$113,210)	8,782	47,782
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)	13,196	16,091
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, Mahnomon, 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)	-	797,796
MN DOT FHWA ER Events	June 16, 2018 – June 18, 2020	State cost share for federal assistance from the Federal Highway Administration emergency relief program for repair or construction of highways, roads, and trails, including Indian reservations that have suffered serious damage as a result of a natural disaster. This also includes federal funding from federal disaster designations DR4390 and DR4442, as well as a relevant Governor’s proclamation in 2020.	-	601,397
DR-4414	October 9 – 11, 2018	St. Louis – gale force windstorm with storm surge flooding and damaging waves at Duluth. (\$11,549,561)	-	2,515

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)	-	123,593
SD-018	June 11, 2017	Anoka – Severe thunderstorms, heavy rains, and large hail. (\$696,517)	-	158,776
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)	18,462	90,575
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)	-	7,869
<b>Total:</b>			<b>\$51,372,034</b>	<b>\$19,131,480</b>