

SESSION WEEKLY

Interim Update

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September 12, 2007

Disaster relief package enacted

More than \$150 million to help flooded areas of southeast Minnesota

By **MIKE COOK**

State relief is on the way for folks like Nancy Benson.

She and her husband have lived in Rushford for decades; she serves on the city council and owns a small beauty shop in town.

“On Saturday night, Aug. 18, they lost everything,” said [Rep. Ken Tschumper](#) (DFL-La Crescent). “The Rush Creek came out right next to their home, flooded their home. Nancy almost died when the basement caved in as it was flooding. Luckily, her husband pulled her out. Her beauty parlor business was completely flooded. They lost everything there. When they

went to see FEMA about 10 days ago they were told, because they had their home paid for, they would get zero help from FEMA.”

Less than a month after heavy rains resulted in rushing floodwaters that created a path of destruction through parts of southeast Minnesota, state lawmakers approved a stream of money to help people like Benson rebuild what was damaged or washed away.

The \$157.3 million law, sponsored by Tschumper and [Sen. Sharon Erickson Ropes](#) (DFL-Winona), includes state aid to seven counties that were [designated federal disaster areas](#) following the Aug. 18-19 storms.

Seven people were killed, nearly 1,500

homes were damaged and approximately 300 destroyed during the flooding. According to the [Federal Emergency Management Agency](#), the flooding has resulted in approximately \$67 million in damage to private property and public infrastructure. However, Erickson Ropes said local officials have said that number is only a preliminary estimate.

Approved [130-0](#) by the House just after midnight Sept. 12, and 62-1 by the Senate less than an hour later, the legislation was [signed](#) by [Gov. Tim Pawlenty](#) in the wee hours of the morning. The law is effective Sept. 13, 2007.

“Providing relief to those communities, families and businesses suffering as a result of the flooding in southeast Minnesota is in the best tradition of Minnesota government acting in response to natural disasters,” Pawlenty said. “This package will work in conjunction with efforts already being coordinated by federal and local governments, as well as the private sector to ensure the quickest possible return to normalcy for residents in the impacted communities.”

[SSHF1](#)*/[SSSF1](#) provides \$72.3 million of state assistance from the General Fund and \$56 million in general obligation bonding. It also includes \$1 million from the petroleum tank cleanup fund.

The allocations will assist with homeowner and business clean up; the refurbishing or rebuilding of public infrastructure, including roads and bridges; school facilities cleanup,

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PHOTO BY TOM OLMSCHIED

Rep. Ken Tschumper, left, gives a sigh of relief while Rep. Gene Pelowski organizes his paperwork after the House Finance Committee passed the flood relief bill.

repair or replacement; increased student transportation costs; student enrollment changes; replacing state facilities and restoration of natural resources; and help with historic structure cleanup and repair.

“Together, our efforts will foster that cooperative spirit that makes us Minnesotans,” said [Rep. Steve Drazkowski](#) (R-Wabasha). “The citizens of southeast Minnesota are grateful for our collective action and support of this measure.”

The law includes:

- \$51 million to replace roads and bridges;
- \$45 million for employment and economic development purposes;
- \$16 million in low-interest and forgivable loans to homeowners through the [Economic Development and Housing Challenge Program](#) administered by the [Minnesota Housing Finance Agency](#);
- \$4.2 million to repair and replace state facilities and restore natural resources in the area;
- \$1 million in property tax abatements for flooded homes and businesses;
- \$584,000 in education assistance to include school clean up and repair, offset enrollment changes and to assist with increased student transportation costs;
- \$250,000 for historic site cleanup, repair and replacement costs; and
- \$100,000 for the Department of Health to conduct indoor air quality investigations and sampling in public facilities and non-profit organizations.

The employment and economic development money includes \$35 million to local governments “for locally administered grants or loan programs for businesses and nonprofit organizations directly affected by the flood, including those that provide residential, health care, child care, social or other services on behalf of the Department of Human Services.”

By law, FEMA provides 75 percent of eligible costs associated with public infrastructure damage caused by a disaster. The state and local communities are responsible for the rest. Further, federal individual assistance is capped at \$28,200.



PHOTO BY TOM OLSMSEID

A proclamation calling the Legislature into special session for disaster relief and a “Never, Ever Give Up Flood 2007” bumper sticker lay on Rep. Ken Tschumper’s desk prior to the House convening in special session. His district was hardest hit during the Aug. 18-19 flooding.

“We’ve had dozens of bridges destroyed, miles and miles of roads that need repair,” Tschumper said. “The FEMA money coming in will roughly be about, we’re thinking, \$40 to \$50 million. That’ll be three-fourths of the cost of infrastructure repair.”

Said Erickson Ropes: “This is a huge disaster ... and we need all the tools in the toolbox to rebuild southeast Minnesota.”

The law also provides \$3.7 million for “flood and drought recovery assistance to affected agricultural producers,” \$1 million to help Cook County and Grand Marais with costs associated with a fire in the Boundary Waters Canoe Area Wilderness earlier this year, \$200,000 in fiscal years 2008 and 2009 to Crookston for flood recovery and mitigation issues and \$100,000 in fiscal years 2008 and 2009 to Browns Valley to assist in recovery from a March 14 flood. The last two were in the omnibus tax bill ([HF2268*/SF1933/CH149](#)) vetoed by Pawlenty in the regular session.

Further, the bill includes \$2 million to provide a state match necessary to receive \$53.2 million in federal grants and aid for

the Interstate 35W bridge collapse. It also prohibits insurance companies from stating or implying to a policyholder that filing a claim related to the bridge collapse could result in non-renewal or cancellation of that policy or future premium increases.

Some lawmakers expressed concern that more wasn’t done for transportation funding during the one-day special session. A package ([HF946*/SF1986/CH84](#)) that included a number of tax increases, including a 7.5-cent gas tax rise, was vetoed by Pawlenty during the regular session.

Despite much discussion since the bridge collapse, the governor and legislative leaders have not been able to agree on a package that is suitable to both sides.

“We’re going to redouble our efforts to ensure that 2008 is not a year of missed opportunities,” said [Rep. Frank Hornstein](#) (DFL-Mpls), chairman of the House Transportation and Transit Policy Subcommittee.

“Every year we wait the need is going to grow greater,” said [Sen. Steve Murphy](#) (DFL-Red Wing), chairman of the Senate Transportation Committee. 

Frequently called numbers

(Area code 651)

House Public Information Services

175 State Office Building296-2146

Committee Schedule Hotline

175 State Office Building296-9283

Chief Clerk of the House

211 Capitol296-2314

House Index

211 Capitol296-6646

Senate Information

231 Capitol296-0504

Secretary of the Senate

231 Capitol296-2344

Voice mail/order bills.....296-2343

Senate Index

110 Capitol296-2887

Committee Hotline, Senate296-8088

ELECTIONS

HAVA mandate for townships

A new law delays an election mandate for townships by two years.

[SSH2/SSSF3](#)* exempts townships from having a voting system accessible to disabled voters, including visually impaired, by the 2008 elections. The mandate was part of the Help America Vote Act enacted in 2005.

Under the law, townships must have a system in place for any election after Dec. 31, 2009.

The law was approved 128-2 by the House and 63-0 by the Senate Sept. 11.

[Rep. Gene Pelowski Jr.](#) (DFL-Winona) said action on the bill was needed during the special session because township elections are scheduled for March 2008, and that some jurisdictions may not be in a position to fulfill the estimated statewide \$1.6 million mandate.

Asked to carry the bill by Senate sponsor [Sen. Ann Rest](#) (DFL-New Hope), Pelowski gave credit to [Rep. Bill Hilty](#) (DFL-Finlayson), [Rep. Bud Heidgerken](#) (R-Freeport) and [House Minority Leader Marty Seifert](#) (R-Marshall), who have been working to address the issues as it relates to townships.

"We expect to have a more comprehensive bill to present to the Legislature when it convenes in February," Hilty said.

— L. SCHUTZ

GOVERNMENT

Unfinished business?

Legislators kept a narrow focus on flood relief during the Sept. 11 special session, but some said the Legislature was leaving unfinished business.

"I am saddened and disappointed that we cannot finish the rest of the business that we have today — that we can't do a transportation bill, a bonding bill and a tax bill," said [Rep. Phyllis Kahn](#) (DFL-Mpls).

Kahn, whose legislative district contains, by her own estimate, three-quarters of the collapsed Interstate 35W bridge, said the flooding in southeastern Minnesota wasn't the only disaster that needed to be addressed — and she raised concern over the prospect of future disasters.

"I hope (...) that we don't have another reason between now and Feb. 12 to regret that we didn't put the adequate amount of money into our Transportation Department," she said.

In the end, House leaders delivered on their promise to the governor and the minority caucus to limit the scope of the special session — although they appeared to do so grudgingly.



PHOTO BY TOM OLMSCHIED

Rep. Neil W. Peterson signs a "Contract for Minnesota's Transportation Future" outside the House Chamber. A coalition of supporters for transportation funding welcomed House members Sept. 11 as they gathered to convene in special session.

"As we focus on these communities and their homes, their schools, their places of work, I actually also must say I share a bit of disappointment this evening as well, for some missed opportunities," said [House Majority Leader Tony Sertich](#) (DFL-Chisholm).

Sertich waxed philosophic on the difference between being reactive and proactive in state government. "It is imperative, in moving forward, that we do a better job of being proactive in anticipation of various disasters, both natural and otherwise," he said.

Newly sworn-in [Rep. Steve Drazkowski](#) (R-Wabasha), whose district was hard hit by the recent flooding, said legislators were right to focus their efforts solely on disaster relief.

"The agreement was that the special session focus on flood relief, and I really believe that if we had broadened it, we'd have lost our focus and lost our effectiveness as a body," he said.

In an e-mail to his constituents following adjournment, [House Minority Leader Marty Seifert](#) (R-Marshall) noted that transportation funding, tax relief and other priorities could have been achieved during the regular session.

"The legislature had a great opportunity for 5 months (January to May 21st) to get work done on many other issues and it's disappointing that it didn't happen," Seifert wrote. "I look forward to the next session, where I hope lawmakers accomplish something, rather than just jamming political bills back and forth with vetoes."

— N. BUSSE

Drazkowski jumps right in

The newest House member, [Rep. Steve Drazkowski](#) (R-Wabasha), found himself immediately in the spotlight after winning the seat vacated by former Rep. Steve Sviggum in a special election Aug. 7.

Residents in his southeastern Minnesota district were among those affected by the Aug. 18-19 flooding. Shortly after being introduced on the House floor Sept. 11, he got to the business of lending support to an aid package to help his district residents.

"I hadn't anticipated that my first minutes and hours in the Minnesota House of Representatives would be used in addressing the response to a natural disaster that squarely hit my district," he said.

[House Speaker Margaret Anderson Kelliher](#) (DFL-Mpls) announced that Drazkowski will serve on the House Agriculture, Rural Economies and Veterans Affairs, and Ways and Means committees and the House State Government Finance Division. To make room for Drazkowski on the ag committee, [Rep. Bud Heidgerken](#) (R-Freeport) will move to the House Finance Committee.

— L. SCHUTZ

If you will be visiting the Capitol in the near future, call the Capitol Historic Site Program at 651-296-2881 to schedule a tour.

RELIEF FOR RUSHFORD



PHOTO BY TOM OLMSCHIED

Rep. Ken Tschumper meets with Rushford residents after the House passed a disaster relief bill for southeast Minnesota flood assistance. Nearly 250 Rushford homes were destroyed or condemned and about 80 businesses suffered severe damage and are currently not operating, according to Tschumper.

MINNESOTA INDEX

When it rains, it pours

Flood relief, in millions as approximate, contained in 2007 special session	
disaster relief law	\$157
Preliminary damage estimates, in millions, from Aug. 18-19, 2007, flooding.....	\$150
Counties declared a federal disaster area after flooding	7
Deaths attributed to the floods.....	7
Approximate number of homes destroyed.....	300
Inches of rain that fell in Wabasha during a seven-hour period.....	12.73
Funding, in millions, appropriated during 2007 regular legislative session to	
Browns Valley in response to March 14, 2007 flood	\$2
Funding appropriated in 2007 special session for Browns Valley flood relief.....	\$200,000
Funding appropriated in 2007 special session for Crookston flood relief.....	\$400,000
Millions of flood relief in 2002 special session law for northwestern Minnesota,	
including Roseau.....	\$31.8
Preliminary damage estimate from 2002 flooding, including agricultural	
impacts, in millions.....	\$150
Counties affected by June 2002 flooding	19
Percentage of homes flooded in Roseau in June 2002.....	80
Flood relief in 1997 special session law for the Red River basin, in millions	\$125
State and local matching funds in the law, in millions	\$30
Total aid for Red River basin communities affected by 1997 floods, in millions.....	\$831
Percentage of homes flooded in East Grand Forks in the spring of 1997.....	99

Sources: Federal Emergency Management Agency, Sept. 20, 2002, Session Weekly Special Session Issue, House of Representatives Web site, National Weather Service

L. SCHUTZ

Bill Introductions

Tuesday, September 11

SSHF1-Tschumper (DFL)

Flood disaster relief funding provided relating to floods of August 2007, federal funds use provided relating to I-35W bridge collapse in Minneapolis, local aid provided relating to other disasters, bonds issued, and money appropriated.

SSHF2-Pelowski (DFL)

Voting system for disabled voters required in township elections.

SSHF3-Clark (DFL)

Insurers prohibited from penalizing insured persons for claims resulting from vehicles on a bridge when the bridge collapsed and from providing incorrect information regarding the effect of a claim on future insurability or premium rates.



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SESSION WEEKLY

Interim Update

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