

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: 1115 Amendment to: \_\_\_\_\_

Requested by: Legislative Council Date of Receipt: December 30, 1982

Please estimate the fiscal impact of the above measure for:

State general or special funds       Counties       Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

(See attached statement.)

State Fiscal Effect:

<u>1983-84</u>		<u>1984-85</u>		<u>Biennium Total</u>	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>

The Emergency Commission would be responsible to decide where the funds would be taken in times of an emergency (the State's natural disaster fund/contingency fund or other available funds). Funds would be placed into those accounts from the general fund at the beginning of each biennium. The cost per year would range from none to \$1.8 million. (An average of \$350,000.00 per year if we repeat our losses of the 1970's into the '80's.)

County and City Fiscal Effect:

<u>1983-84</u>		<u>1984-85</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

This legislation would decrease the costs to all local governments involved in a state or federally declared disaster or emergency by 10 percent.

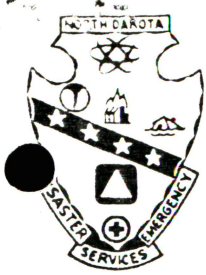
If additional space is needed, attach a supplemental sheet.

Signed *Ronald D. Affeldt*

Typed Name Ronald D. Affeldt

Date prepared: December 30, 1982

Department Disaster Emergency Services



RONALD D. AFFELDT  
State Director

STATE HEADQUARTERS

## Disaster Emergency Services

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ALLEN I. OLSON  
Governor

MAJ. GEN. C. EMERSON MURRY  
Adjutant General

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TO: John D. Olsrud, Director,  
Legislative Council

FROM: Ronald D. Affeldt, State Director, Division of Disaster  
Emergency Services

DATE: November 24, 1982

SUBJECT: Fiscal Impact Statement for a Bill for an Act to Create a New  
Section to Chapter 37-17.1 of the North Dakota Century Code  
Relating to Disaster Response and Recovery Costs

### Background

Effective disaster or emergency response and recovery operations sometimes require assistance beyond the capability of local governments. At times only state assistance is required; however when extensive operations are required or serious losses or damages occur, federal assistance may be requested by the Governor. Prior to the State receiving federal disaster assistance in the form of a Presidential Major Disaster Declaration or Presidential Emergency Declaration, the Governor must sign a Federal-State Agreement. Such an agreement is based on specific response and recovery requirements to save lives and protect property or to clean-up and/or restore critically damaged or destroyed facilities. The details of this type of agreement will very depending upon:

1. The State and local contributions to the operation.
2. The specific response and recovery needs of the State and local governments impacted.
3. The requirements of the federal government.

Most of the federal disaster assistance received in North Dakota has come from the President's Disaster Fund through the Federal Emergency Management Agency. At times the Omaha and St. Paul districts of the U.S. Army Corps of Engineers have also provided a tremendous amount of federal assistance in the form of advance measures for flooding or in an actual flood-fight operation.

In order to receive federal disaster assistance through either the Presidential Major Disaster Declaration, a Presidential Emergency

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Declaration, or from the Corps of Engineers, the State must be prepared to make a state and local government commitment or to share in the cost of the response and recovery operation. That commitment must be illustrated in the form of a Federal-State Agreement or in a letter to the Corps of Engineers. Presently, the state and local commitment in a Presidentially declared disaster must amount to 25 percent of the cost of disaster recovery. Precedent has been set for further splitting this 25 percent into 10 percent for state government and 15 percent for local government.

In the past when our governors have requested federal disaster assistance, they have had to request legislative or Emergency Commission support after-the-fact for the State's portion of the state and local commitment in the Federal-State Agreement. Such a procedure has proven extremely cumbersome and difficult for the Legislature, the Emergency Commission, and especially for the Governor.

Thus, this legislation is important to assure that North Dakota has a mechanism in place to carry out effective, timely, and complete response and recovery operations to support local governments in times of emergencies.

### Fiscal Impact

It is difficult to establish a fiscal impact concerning disaster response and recovery costs as it pertains to this bill. Disasters do not always happen on a regular basis and they do not always do the same amount of damage or require the same amount of response by all parties (federal, state, and local).

During a year when the State experiences no disasters, this legislation will have very little or no fiscal impact.

Approximately \$60,000 has been required to meet the State's obligation under the Federal-State Agreement signed as a result of a Presidential Major Disaster Declaration for flooding in southwestern North Dakota in the spring of 1982.

The 1979 flood has been the State's most costly disaster. A repeat of the flood-fight operations and facility damage incurred during the spring flooding of 1979 would cost the State two million dollars under present Federal-State Agreement policy.

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Since 1970 North Dakota has experienced nine Presidential Major Disaster Declarations and two Presidential Emergency Declarations. From 1970 to 1981, federal disaster assistance in the area of recovery was 100 percent on most eligible sites. Had present Federal-State Agreement policy been in effect during those years, the State's fiscal impact would have totalled about 3.75 million dollars. This averages out to approximately \$340,000 per year.

RDA

ps  
Enclosure