

Greetings Mr. Chairman and members of the Appropriations Committee.

My name is Austen Schauer, representing District 13 in West Fargo seeking your approval of **HB 1070**.

HB 1070 passed GVA by a 13-0 vote.

HB 1070 establishes and allows for the administration of a **hazard mitigation state revolving loan fund**.

Communities will use the loan funding to carry out new projects to mitigate against any potential future event deemed as **catastrophic**.

Those eligible for the 1% interest rate loans can complete their mitigation projects and pay the loan back over a 20-year period or 30 years for projects benefiting low-income communities.

Section 1 of **HB 1070** allows for the creation of a hazard mitigation revolving loan fund.

This fund would be administered by the **department of emergency services** in accordance with the Safeguarding Tomorrow through Ongoing Risk Mitigation Act (STORM).

The STORM Act requires the state to provide a **10% match** that must be deposited into an interest-bearing account before **FEMA** will provide its **90%** cost share each time funding is requested.

The state's 10% contribution will be based on the value of projects submitted by applicants each year so the amount will fluctuate.

The North Dakota Dept. of Emergency Services (DES) says the amount it would request from **FEMA** to begin the **State Revolving Fund** would be **\$10 million** which means a **one-million-dollar** State contribution to establish the fund.

Mitigation projects would include home acquisitions from floodways and floodplains, infrastructure protective measures (roads and bridges), storm water management upgrades and other flood control measures.

According to **PEW Charitable Trusts**, North Dakota **DES** hazard mitigation projects have prevented more than **\$1.8 billion damages** since 1997.

Since the Minot flood in 2011, there have been **13** federally declared disaster declarations since then.

In conclusion Mr. Chairman and committee members, the intent of **HB 1170** is to establish a **hazard mitigation revolving loan fund** to help **lower** the risk to human life, **prevent** damage to public and private property and **reduce** the costs of insurance claims to families.

Your **GVA** committee believes this is a good use of North Dakota funds and we hope you agree!

I am open for questions.