

**ANALYSIS OF THE STATE DISASTER RELIEF FUND FOR THE
2013-15, 2015-17, 2017-19, AND 2019-21 BIENNIUMS**

	2013-15 Biennium Actual		2015-17 Biennium Actual		2017-19 Biennium Actual		2019-21 Biennium Estimated	
	Beginning balance		\$77,651,986		\$75,867,942		\$36,687,549	
Add revenues								
Interest income	\$81,030		\$50,723		\$73,130		\$40,000	
Miscellaneous reimbursements	1,007,480		2,716,118		698,534		100,000	
Oil and gas tax collections	22,000,000 ²		3,482,364 ⁷		0 ⁸		0 ¹⁸	
Total revenues		23,088,510		6,249,205		771,664		140,000
Total available		\$100,740,496		\$82,117,147		\$37,459,213		\$22,127,295
Less estimated expenditures								
Disasters occurring prior to 2009	1,306,121 ⁶							
2009 flooding	2,530,274 ^{6,11}		247,214 ¹⁵		57,462 ¹⁷			
January 2010 snowstorm	310,392 ^{6,11}							
2010 flooding	320,896 ^{6,11}		269,007 ¹⁵		1,199,702 ¹⁷			
April 2010 ice storm	565,976 ^{6,11}		102,560 ¹⁵					
2011 flooding	7,430,968 ^{6,11}		6,366,153 ¹⁵		2,923,747 ¹⁷		3,716,261 ¹⁹	
2011 ice storm	616,217 ¹¹		925 ¹⁵					
Costs relating to flooding in incorporated cities	1,461,014 ⁶							
Disaster response coordination contract	400,000 ³		200,000 ³					
State disasters and flood mitigation efforts (road grade raising projects)	91,986 ⁶		2,562 ¹⁵		18,620 ¹⁷			
Housing rehab and retention	2,461,071 ¹							
Flood-impacted housing assistance grant program	1,500,000 ⁴		1,088,468 ¹⁵					
Disaster recovery planning and technical services	1,031,218 ⁵		34,810 ⁵					
Fargo interior flood protection			30,000,000 ⁹					
Chronic flooding relief			2,000,000 ¹⁰					
2013 Red River Valley flood	1,591,135 ¹¹		589,741 ¹⁵		912,450 ¹⁷			
2013 winter storm	36,116 ¹¹		59,539 ¹⁵		628,258 ¹⁷		113 ¹⁹	
2014 rain storms	219,170 ¹¹		84,122 ¹⁵		72,201 ¹⁷		100,126 ¹⁹	
2017 flooding							613,494 ¹⁹	

Federal Emergency Management Agency (FEMA) flood mitigation programs					533,475 ¹⁹
Valley City flood protection	3,000,000 ¹²				
Double Ditch Historic Site repairs			384,497 ¹³	1,694,478 ¹³	
Bismarck area flood protection			4,000,000 ¹⁴		
Dickey County FEMA repayment					200,000 ¹⁹
Non-oil-producing township road maintenance and improvement				7,965,000 ²⁰	
Total estimated expenditures and transfers		24,872,554		45,429,598	15,471,918
Estimated ending balance		<u>\$75,867,942</u>		<u>\$36,687,549</u>	<u>\$21,987,295</u>
					<u>\$5,163,469¹⁶</u>
					<u>\$16,963,826</u>

¹Section 17 of Senate Bill No. 2371 (2011) provided OMB transfer \$48.7 million from the general fund to the state disaster relief fund during the 2011-13 biennium for the following purposes:

Relief Assistance	Transfer Amount	Appropriation Authority
Disaster-related expenses	\$32,700,000	Section 15 of Senate Bill No. 2371 (2011) provided appropriation authority of \$29.5 million from the state disaster relief fund to the Adjutant General for providing the required state share of funding for expenses associated with presidentially declared state disasters. Section 16 of the bill provided a contingent appropriation of \$5 million from the state disaster relief fund to the Adjutant General relating to grants to political subdivisions for a portion of the local share required to match federal emergency relief funding.
Flood-impacted housing assistance grant program	10,000,000	Section 9 of Senate Bill No. 2371 appropriated \$10 million from the state disaster relief fund to the Adjutant General for providing additional rebuilders loan program funding to the Bank of North Dakota and funding to political subdivisions for flood-impacted housing rehabilitation.
Road grade raising grants	6,000,000	Section 14 of Senate Bill No. 2371 appropriated \$6 million from the state disaster relief fund to the Department of Transportation (DOT) for grants to counties for road grade raising projects on federal aid-eligible roads.
Total	\$48,700,000	

²House Bill No. 1451 (2011) created Section 57-51.1-07.5 to provide for the allocation of the state's share of oil and gas tax revenues designated for deposit in the general fund under Chapters 57-51 and 57-51.1 as follows:

- The first \$543.79 million is deposited in the general fund, property tax relief fund, and strategic investment and improvements fund;
- The next \$22 million is deposited in the state disaster relief fund; and
- Any additional revenues are deposited in the strategic investment and improvements fund.

³In Senate Bill No. 2016 (2011), the Legislative Assembly provided authority to the Department of Emergency Services to utilize \$400,000 from the state disaster relief fund to contract for services to coordinate disaster response organizations with state and political subdivision disaster response efforts, including all aspects of disaster recovery from preparedness training through cleanup for declared or undeclared disasters. House Bill No. 1016 (2013) continued the same level of funding for the 2013-15 biennium. Senate Bill No. 2016 (2015) provided a \$200,000 appropriation from the state disaster relief fund for disaster response coordination for the 2015-17 biennium.

⁴Section 4 of House Bill No. 1016 (2013) appropriated \$1.5 million from the state disaster relief fund to the Housing Finance Agency to provide grants to counties, cities, local housing authorities, and other nonprofit entities providing flood-impacted housing assistance. The section required an entity requesting grant funding to certify to the Housing Finance Agency that housing occupants were eligible to receive housing assistance under federal Department of Housing and Urban

Development guidelines, that a land use agreement was in place for temporary housing units, and that a plan had been developed for the disposal of temporary housing units. The Housing Finance Agency was to develop guidelines for the distribution of funds, including the frequency of the distribution of grant funds.

⁵The 2013-15 biennium legislative appropriations include funding of \$1.5 million for contracted services to provide technical assistance and support to state and local government agencies with emergency management needs associated with preparedness, mitigation, and response and recovery. Senate Bill No. 2016 (2015) appropriated \$1 million for continuing the disaster recovery planning and technical assistance contracted services for the 2015-17 biennium.

⁶Section 1 of House Bill No. 1016 (2013) included spending authority of \$13.9 million from the state disaster relief fund for expenses related to unclosed state disasters in the 2013-15 biennium.

⁷This amount reflects actual oil tax revenue allocations for the 2015-17 biennium. House Bill No. 1377 (2015) amended Section 57-51.1-07.5 to provide for the allocation of the state's share of oil and gas tax revenues designated for deposit in the general fund under Chapters 57-51 and 57-51.1 as follows:

- The first \$700 million is deposited in the general fund, tax relief fund, and strategic investment and improvements fund;
- The next \$22 million is deposited in the state disaster relief fund, but not in an amount that would bring the unobligated balance in the fund to more than \$25 million; and
- Any additional revenues:
 - 70 percent into the strategic investment and improvements fund; and
 - 30 percent into the political subdivision allocation fund.

⁸This amount reflects actual oil tax revenue allocations for the 2017-19 biennium. House Bill No. 1152 (2017) amended Section 57-51.1-07.5 to provide for the allocation of the state's share of oil and gas tax revenues designated for deposit in the general fund under Chapters 57-51 and 57-51.1 as follows:

- The first \$775 million is deposited in the general fund, tax relief fund, budget stabilization fund, strategic investment and improvements fund, and lignite research fund;
- The next \$20 million is deposited in the state disaster relief fund, but not in an amount that would bring the unobligated balance in the fund to more than \$20 million; and
- Any additional revenues are deposited in the strategic investment and improvements fund.

⁹Section 11 of Senate Bill No. 2020 (2015) appropriates \$30 million from the state disaster relief fund to the State Water Commission for flood protection projects within the city limits of Fargo.

¹⁰Section 3 of Senate Bill No. 2016 (2015) appropriates \$2 million from the state disaster relief fund to the Adjutant General to provide for repair and replacement of infrastructure and for removal of debris and other health hazards in organized service districts that are experiencing chronic flooding. The Adjutant General is required to consult with the Environmental Division of the State Department of Health regarding the process of environmental cleanup.

¹¹Subdivision 9 of Section 1 of Senate Bill No. 2023 (2015) provides a deficiency appropriation of \$5 million from the state disaster relief fund for four disasters occurring in 2013 and 2014 (\$2.1 million) and for disasters occurring in 2009, 2010, and 2011 (\$2.9 million).

¹²Subdivision 6 of Section 1 of Senate Bill No. 2023 (2015) provides a deficiency appropriation of \$3 million from the state disaster relief fund to Valley City State University for flood protection.

¹³Section 5 of Senate Bill No. 2018 (2015) appropriates \$2 million from the state disaster relief fund for Double Ditch Historic Site repairs. Section 6 of House Bill No. 1018 (2017) appropriates \$500,000 from the state disaster relief fund for Double Ditch Historic Site repairs.

¹⁴Section 15 of Senate Bill No. 2020 (2015) appropriates \$4 million from the state disaster relief fund to the State Water Commission for levee projects for the Missouri River Correctional Center (\$1.2 million) and for Lincoln Township's Fox Island area (\$2.8 million).

¹⁵Section 1 of Senate Bill No. 2016 (2015) included spending authority of \$17.8 million from the state disaster relief fund for expenses related to unclosed state disasters in the 2015-17 biennium.

¹⁶This amount is an estimate based on actual expenditures through March 31, 2020, and agency estimated expenditures through June 30, 2021.

¹⁷Section 1 of House Bill No. 1016 (2017) includes spending authority of \$8.5 million from the state disaster relief fund for expenses related to unclosed state disasters in the 2017-19 biennium. Section 13 of House Bill No. 1016 (2017) includes carryover authority for amounts related to disaster costs for road grade raising projects. The amount of carryover was estimated to be approximately \$100,000.

¹⁸This amount reflects estimated oil tax revenue allocations for the 2019-21 biennium based on the 2019 legislative revenue forecast. House Bill No. 1066 (2019) and Senate Bill No. 2016 (2019) amend Section 57-51.1-07.5 to provide for the allocation of the state's share of oil and gas tax revenues under Chapters 57-51 and 57-51.1. As amended, the allocation provides that after \$685 million is deposited in the general fund, tax relief fund, budget stabilization fund, and lignite research fund, then the next \$15 million is deposited in the state disaster relief fund, but not in an amount that would bring the unobligated balance in the fund to more than \$15 million.

¹⁹Section 1 of Senate Bill No. 2016 (2019) includes spending authority of \$7.1 million from the state disaster relief fund for expenses related to unclosed state disasters in the 2019-21 biennium.

²⁰Section 4 of Senate Bill No. 2016 (2019) provides a 2017-19 biennium appropriation of \$8.1 million from the state disaster relief fund to the State Treasurer for the purpose of providing distributions to townships in non-oil-producing counties for maintenance and improvement of township roads and bridges.

FUND HISTORY

Section 37-17.1-27 (Section 4 of Senate Bill No. 2012 (2009)) establishes a state disaster relief fund. Any interest or other fund earnings must be deposited in the fund. In Senate Bill No. 2369 (2011), the Legislative Assembly amended Section 37-17.1-27 to limit use of money in the fund for only the required state share of funding for expenses associated with presidentially declared disasters in the state and to require Emergency Commission and Budget Section approval of the use of money in the fund. In Senate Bill No. 2292 (2013), the Legislative Assembly further amended the section to allow money in the fund to be used for wide area search and rescue activities. Section 6 of Senate Bill No. 2055 (2019) further amends Section 37-17.1-27 to allow the fund to be used for the state share of FEMA disaster response, recovery, and mitigation grants, to remove the requirement for Emergency Commission and Budget Section approval of the use of money that has been appropriated by the Legislative Assembly, and to provide for the Adjutant General to report to the Budget Section on fund expenditures.