

HB 1466-FN - AS INTRODUCED

2024 SESSION

24-2563

11/08

HOUSE BILL

***1466-FN***

AN ACT                   relative to providing disaster relief funding to municipalities after a natural disaster.

SPONSORS:           Rep. Aron, Sull. 4; Rep. Drye, Sull. 7; Rep. Weyler, Rock. 14; Rep. Buco, Carr. 1; Rep. Cloutier, Sull. 6; Rep. Heath, Hills. 41; Rep. Creighton, Hills. 30; Rep. Spillane, Rock. 2; Rep. Terry, Belk. 7; Sen. Pearl, Dist 17; Sen. Watters, Dist 4

COMMITTEE:       Executive Departments and Administration

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ANALYSIS

      This bill authorizes disaster relief aid for municipalities that suffer certain damage in natural disasters.

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Explanation:       Matter added to current law appears in ***bold italics***.  
                      Matter removed from current law appears ~~[in brackets and struckthrough]~~  
                      Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Four*

AN ACT                      relative to providing disaster relief funding to municipalities after a natural disaster.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1            1 New Paragraph; Duties of Commissioner. Amend RSA 21-P:4 by inserting after paragraph I  
2 the following new paragraph:

3            I-a. In the event of a natural disaster or severe weather event in one or more municipalities,  
4 counties or areas of the state, the commissioner of the department of safety may declare a disaster  
5 after:

6                      (a) Conferring with the director of the New Hampshire homeland security and  
7 emergency management department; and

8                      (b) Reviewing municipal, county, regional, or statewide damage, and any available  
9 documented natural disaster or weather event reports.

10           This declaration will be an official state declaration of disaster, independent of any federal  
11 disaster declaration, and is only a statement that severe damage occurred. The declaration may  
12 name specific municipalities or counties in the declaration.

13           2 New Section; Homeland Security and Emergency Management; Municipal Road and Bridge  
14 Disaster Relief Funding. Amend RSA 21-P by inserting after section 37-d the following new section:

15           21-P:37-e Disaster Relief Procedures.

16           I. After the commissioner of the department of safety declares a natural disaster under RSA  
17 21-P:4, I(a) that outlines the affected municipalities, counties, or areas of the state and municipal  
18 roads and bridges, the director of the division of homeland security and emergency management  
19 shall, within 24 hours, make emergency funding available and accessible to the appropriate  
20 municipalities to repair impassible areas of municipal infrastructure.

21           II. A municipality may request infrastructural disaster relief more than once in a calendar  
22 year, but shall not receive more than \$5,000,000 dollars in a calendar year. Requests shall be filed  
23 within 45 days after the commissioner's declaration.

24           III. A municipality may request emergency disaster relief funding only if the amount of the  
25 total damage resulting from the natural disaster is at least 50 percent of the municipality's annual  
26 municipal operating budget and the amount needed for emergency infrastructure repairs is greater  
27 than what is available for appropriation from the municipality's fund balance.

28           IV. The director of the division of homeland security and emergency management shall  
29 request an emergency funding appropriation from the joint legislative fiscal committee. The funding  
30 may come from the state rainy day fund or other unappropriated funds and shall be appropriated by

1 the joint legislative fiscal committee to the department of safety, division of homeland security and  
2 emergency management for deposit into the New Hampshire emergency response and recovery fund  
3 established in RSA 21-P:46 or the New Hampshire disaster relief fund established in RSA 21-P:46-a  
4 for purposes of disbursement to the affected municipalities. The joint legislative fiscal committee  
5 may decide to appropriate a lesser amount to the request based on available funding.

6 V. The director of the division of homeland security and emergency management must  
7 request the appropriation of municipal road and bridge disaster relief funds before the joint  
8 legislative fiscal committee on behalf of the affected municipality upon receipt of:

9 (a) A letter to the commissioner of the department of safety and the director of the  
10 division of homeland security and emergency management from the municipal governing body  
11 requesting the amount needed to repair damage to roads and bridges resulting from a natural  
12 disaster;

13 (b) An assessment report prepared by a professional engineer engaged by the  
14 municipality, or an engineer from the New Hampshire department of transportation, outlining the  
15 costs of infrastructure repairs for the roads and bridges damaged by the natural disaster;

16 (c) Demonstration that the roads and bridges which were damaged due to natural  
17 disaster are of significant or critical importance to commerce or citizen safety, or provide access  
18 through, into or out of the municipality;

19 (d) Photo documentation of the damage to be repaired with the emergency funding;

20 (e) Proof that weather conditions causing the damage occurred; and

21 (f) An explanation and reasons why the municipality cannot wait for a presidential  
22 declaration of disaster or apply for FEMA reimbursement, and that the municipality understands  
23 that accepting state assistance with their request disqualifies them from future FEMA claims and  
24 reimbursement for those infrastructure repairs being made with state emergency funding.

25 VI. The director of the division of homeland security and emergency management shall  
26 adopt interim rules under RSA 541-A within 30 days of the effective date of this act for the  
27 expeditious implementation of this section.

28 VII. The director of the division of homeland security and emergency management shall  
29 adopt rules pursuant to RSA 541-A regarding implementation and execution of this section.

30 3 Emergency Response and Recovery Fund; Disaster. Amend RSA 21-P:46 to read as follows:

31 21-P:46 New Hampshire Emergency Response and Recovery Fund. There is hereby established  
32 a New Hampshire emergency response and recovery fund. The fund shall provide a source for the  
33 matching funds required as a commitment to secure federal emergency management agency relief  
34 assistance grants for costs incurred in disasters declared by the president of the United States. ***The***  
35 ***fund shall also provide a source for emergency funds to be dispersed to municipalities and***  
36 ***individuals that have incurred damage from natural disasters.*** The fund shall be nonlapsing  
37 and continually appropriated to the department of safety.

1       4 Disaster Relief Fund. Amend RSA 21-P:46-a to read as follows:

2       21-P:46-a New Hampshire Disaster Relief Fund.

3           I. There shall be established a fund that is to be accounted for separately from all other  
4 funds and which shall be designated as the New Hampshire disaster relief fund, which shall be  
5 credited and continually appropriated to the director for disaster relief. The moneys in 2 existing  
6 funds, one in the legislative branch known as the disaster fund, and one in the office of the state  
7 treasurer, known as the New Hampshire disaster relief fund 2011, shall lapse into the New  
8 Hampshire disaster relief fund on the effective date of this section.

9           II. Funds in the New Hampshire disaster relief fund shall be made available to  
10 municipalities and individuals who suffer damage and loss as a result of a federally declared or state  
11 declared natural disaster. ***Funds in the New Hampshire disaster relief fund may also be used***  
12 ***to help municipalities fund hazard mitigation projects.*** All disbursements from the fund shall  
13 be approved by the director of homeland security and emergency management, in consultation with  
14 the individual assistance committee appointed under paragraph III, ***however an exemption to***  
15 ***said consultation shall be made with regard to emergency requests by municipalities.***

16           III. The director shall appoint ~~[an individual assistance]~~ ***a disaster relief*** committee to  
17 review, evaluate, and make recommendations on requests for individual ***or municipal*** assistance.  
18 The committee shall be comprised of representatives from the nonprofit community, human service  
19 organizations, disaster response organizations, the Community Action Programs, ***a municipal***  
20 ***organization,*** and volunteer organizations, who shall serve at the pleasure of the director. The  
21 director shall designate a committee chair.

22           IV. The director shall maintain complete records of all funds disbursed from the New  
23 Hampshire disaster relief fund and shall report all such disbursements to the ~~[individual assistance]~~  
24 ***disaster relief*** committee every 6 months following the effective date of this section.

25       5 Effective Date. This act shall take effect upon its passage.

**HB 1466-FN- FISCAL NOTE  
AS INTRODUCED**

AN ACT relative to providing disaster relief funding to municipalities after a natural disaster.

**FISCAL IMPACT:**    ☒ State                    ☐ County                    ☒ Local                    ☐ None

Estimated State Impact - Increase / (Decrease)				
	FY 2024	FY 2025	FY 2026	FY 2027
<b>Revenue</b>	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
<b>Expenditures</b>	Program Uses - Indeterminable Increase (See Below) Position Costs - \$409K in FY 2025, \$400K in FY 2026, \$413K in FY 2027			
<i>Funding Source(s)</i>	Revenue Stabilization Reserve Account ("Rainy Day Fund") General Fund, Other Funds			
<b>Appropriations</b>	"Open Warrant" for Program Uses			
<i>Funding Source(s)</i>	Revenue Stabilization Reserve Account ("Rainy Day Fund") General Fund, Other Funds			

- Does this bill provide sufficient funding to cover estimated expenditures? ☒ No
- Does this bill authorize new positions to implement this bill? ☒ No

Estimated Political Subdivision Impact - Increase / (Decrease)				
	FY 2024	FY 2025	FY 2026	FY 2027
<b>Local Revenue</b>	\$0	Program Uses - Indeterminable Increase (See Below)		
<b>Local Expenditures</b>	\$0	\$0	\$0	\$0

**METHODOLOGY:**

This bill, effective upon passage, provides a mechanism for disaster relief, administered by the Department of Safety, for municipalities that suffer certain damage in natural disasters. This bill authorizes the Commissioner of Safety to declare a disaster, independent of any federal disaster declaration, and allows municipalities to apply for aid. The following are notable components of this bill:

- The Department of Safety shall make emergency funds “available and accessible” to municipalities within 24 hours, however, for funds to be allocated the approval of the Joint Legislative Fiscal Committee (Fiscal Committee) is required. This appears to be an issue, as the Fiscal Committee meets monthly.
- A municipality may apply for relief multiple times, but for no more than \$5,000,000 total in a calendar year.

- A municipality may request funding only if the amount of the total damage resulting from the disaster is at least 50% of the municipality's annual operating budget and the amount needed exceeds what is available from the municipality's fund balance.
- The Fiscal Committee may authorize funding from the state's revenue stabilization reserve account ("rainy day fund") or "other unappropriated funds". It is unclear as to whether this is limited to the state general fund or could include other dedicated funding sources. The Fiscal Committee is permitted to approve an amount less than the amount requested.
- The uses of two existing dedicated funds are broadened; the New Hampshire Emergency Response and Recovery Fund (RSA 21-P:46) and the New Hampshire Disaster Relief Fund (RSA 21-P:46-a).

In order to administer the provisions of this bill, the Department of Safety states it would need five (5) new employees; two (2) program assistant II positions, two (2) program planner II positions, and one (1) supervisor III position, for a total cost of \$409,000 in FY 2025, \$400,000 in FY 2026, and \$413,000 in FY 2027 (assuming a start date of July 1, 2024). It should be noted this bill provides neither authorization nor appropriation for new personnel.

This bill provides an "open appropriation" to the state rainy day fund, general fund, and possibly other funds. Since it cannot be predicted how many municipalities may make request, how much the requests are for, and how much the Fiscal Committee approves, it is not possible to estimate this bill's impact on state expenditures and local revenue in FY 2024 and each year thereafter.

The table below provides information from the most recent presidentially declared or sought after disasters. Once an incident occurs, the State of New Hampshire completes the Initial Damage Assessments, and a determination is then made to request joint Preliminary Damage Assessments (PDA). Preliminary Damage Assessments are cited in 44 CFR 206.33. Accurate and comprehensive Preliminary Damage Assessments are critical to enabling efficient response and recovery. The goal of the Preliminary Damage Assessments is to validate enough damages to document that the localized impacts are significant and financially exceeds the per capita indicators. It is important to note that not every local government or private nonprofit participates during the Preliminary Damage Assessments. Entities with the highest amount of known damages from the Initial Damage Assessments are prioritized. Documentation is received to support that work has either been completed or that work remains to be completed. Work to be completed is calculated utilizing cost estimates and typically is at a value less than market value and is not inclusive of all costs that a municipality has incurred due to the

incident. In summary, the financials gathered during the Preliminary Damage Assessments should be merely used as an assumption to the true scale and magnitude of damages.

For informational purposes, the Department has provided the following:

<b>FEMA Declared</b>	<b>Date(s)</b>	<b>Type of Incident</b>	<b>PDA Matrix</b>
Yes	07/09/23 - 07/17/23	Severe Storm/Flooding	\$8,668,188
No	04/01/23 - 05/01/23	Severe Storm/Flooding	\$2,115,071
No	03/13/23 - 03/15/23	Severe Storm/Winter	\$1,871,295
Yes	12/22/22 - 12/25/22	Severe Storm/Flooding	\$1,544,043
Yes	07/29/21 - 08/02/21	Severe Storm/Flooding	\$3,260,518
Yes	07/17/21 - 07/19/21	Severe Storm/Flooding	\$2,247,265
			<b>\$19,706,380</b>

**AGENCIES CONTACTED:**

Department of Safety