

SESSION WEEKLY

Interim Update

A NONPARTISAN PUBLICATION
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES
October 19, 2010

Disaster relief enacted

Brief special session ends with \$80 million flood, storm aid package

By Nick Busse

For communities like Zumbro Falls, disaster relief funding is more than just a helping hand; it's a lifeline. Without state aid, incoming Mayor Al Christenson said the floods that washed across 21 southern Minnesota counties beginning Sept. 22 leave the city's future in doubt.

"The opportunity and the help that you'll provide for us could mean the difference between us staying viable — and not — in the future," Christenson told lawmakers.

Help is on the way.

On Oct. 18, the Legislature passed, and Gov. Tim Pawlenty signed, an \$80 million disaster relief bill. Passed 131-0 by the House and 66-0 by the Senate during a brief special session, the legislation will go a long way

toward helping affected communities repair and rebuild.

Rep. Kory Kath (DFL-Owatonna), who sponsors the law with Sen. Ann Lynch (DFL-Rochester), said the bill would give new hope to those devastated by the recent floods.

"This is what we do. We look out for Minnesotans. We do what's right. And we make sure that in times of crisis we react in a way that really reflects our Minnesota values," Kath said.

The law, effective Oct. 19, 2010, will fund repairs to public infrastructure like roads and wastewater facilities. It will also provide aid to small businesses and farmers, and fund flood mitigation projects.

While federal dollars will aid in most recovery efforts, the law fills gaps where the federal assistance falls short. In particular, it



Zumbro Falls incoming Mayor Al Christenson, from left, Hammond Mayor Judy Radke and Rep. Steve Drazkowski tell the House Finance Committee Oct. 18 about the flooding destruction in their communities.

will provide help to individual homeowners who were not included in the federal disaster declaration and are not eligible for federal help.

The law also funds recovery efforts from a disaster declaration made in July, in the wake of a deadly tornado in Wadena and severe storms in other communities.

Rep. Steve Drazkowski (R-Mazeppa), whose own community was heavily impacted by the September floods, said the Legislature's quick action on disaster relief represented an example of government at its finest.

"This is the good work that government does, and can do ... to help those who truly aren't in positions to help themselves," Drazkowski said.

Continued on page 2



PHOTOS BY TOM OLMSCHIED

Rep. Kory Kath, left, and members of the House Finance Committee listen as Kris Eide, right, director of emergency services for the Department of Public Safety, talks about the natural disaster relief package.

Communities struggling

During a pair of House committee hearings earlier in the day, Christenson and other local officials described widespread damages that threaten some rural Minnesota communities' way of life.

In Hammond, a small city north of Rochester, Mayor Judy Radke said the community is in danger of dying unless its handful of businesses can rebuild and continue to operate.

"Our Main Street consists of three businesses. You've got a bar, a bank and a restaurant. If those businesses aren't able to come back in, there's no reason to even move to Hammond," Radke told the House Finance Committee.

Small towns weren't the only ones hit. In Owatonna, rising floodwaters divided the city in two, knocking out critical public facilities and infrastructure along the way. Many homes were virtually destroyed, leaving Steele County Emergency Management Director Mike Johnson to wonder what might happen if residents choose to walk away rather than rebuild.

"What's going to happen to this area here, unless we can provide some sort of assistance to them?" he said.

Meanwhile, Wadena city officials spoke about the impact of the June 17 tornado that destroyed hundreds of homes, the high school and killed three residents. Much like those impacted by the floods, they said state aid was vital to their community's survival.

"Wadena County is one of the poorest counties of the state," said Ann Pate, who chairs the local school board. "These dollars are very important to the viability of our area."

The disasters arrived at a difficult time for the state, which is struggling to cope with a record-setting budget deficit. Funding for the relief package is made possible largely by a recent influx of federal dollars from increased Federal Medical Assistance Percentages (FMAP) matching payments. The increased federal aid will leave the state with a positive cash balance for the current fiscal biennium, even after the disaster aid law is fully funded.

Special sessions focusing on flood relief are not unusual for the state. Most recently, the Legislature passed a \$157 million aid package for southeastern Minnesota during a one-day special session on Sept. 11, 2007.



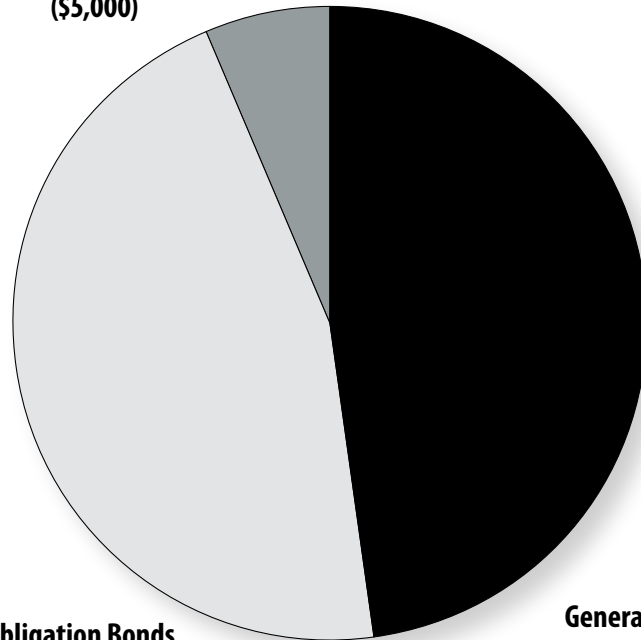
PHOTO BY TOM OLMSCHIED

Faribault Mayor John Jasinski, from left, City Manager Tim Murray and Rep. Patti Fritz wait for their opportunity to testify before the House Finance Committee Oct. 18 about their cities flood damage.

Disaster Relief Funding Sources

(in thousands)

Trunk Highway Bonds
(\$5,000)



General Obligation Bonds
including Transportation
Bonds (\$36,790)

General Fund
(\$38,416)

Source: Minnesota House of Representatives
Fiscal Analysis Department