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## ISSUE REVIEW

Fiscal Services Division

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Des Moines, Iowa 50319

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## Federal Disaster Funding in Response to 2019 Flooding

### ISSUE

This **Issue Review** provides background and historical information on federal funding received during the time of severe flooding across the State of Iowa in 2019. The purpose of this **Issue Review** is to provide an explanation of how federal funding is requested, received, and distributed on a statewide level. It is intended to provide a detailed analysis of funding sources and dollars received specifically for flood hazard mitigation and disaster alleviation purposes as related to the flooding that occurred in Iowa beginning in March 2019.

### AFFECTED AGENCIES

Department of Homeland Security (HSEMD)  
Economic Development Authority (IEDA)  
Department of Agriculture and Land Stewardship (IDALS)  
Department of Human Services (DHS)  
Department of Revenue (IDR)  
Economic Development Authority (IEDA)  
Iowa Workforce Development

### CODE AUTHORITY

Iowa Code Chapters [29C](#) and [34A](#)

Iowa Administrative Code [605](#)

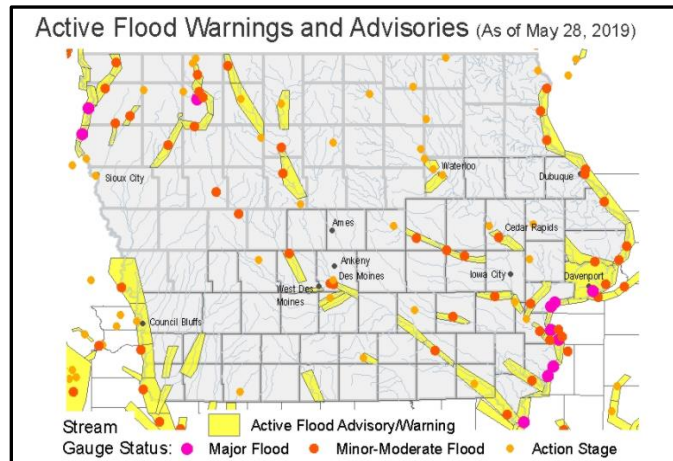
### BACKGROUND

In spring 2019, much of the midwestern United States was significantly affected by heavy rainfall and numerous incidents of severe flooding. Throughout the evening on March 12, 2019, and the next day, March 13, 2019, a weather phenomenon known as a “bomb cyclone” brought warm temperatures, high winds, and 2 to 3 inches of rain to Iowa.<sup>1</sup> This weather event, in addition to melting snow, led to an increase in water runoff from previously frozen soil and widespread flooding across the State. More than 50 federal and locally-owned levees were breached and nearly 250 miles of levees were impacted, which resulted in a large and rapid expansion of the flooding. Nearly 25,000 homes and 4,200 businesses were damaged or destroyed and numerous emergency evacuations took place in southwest and eastern Iowa. The chart on page 2 displays the number and location of active flood warnings and advisories in spring 2019.

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<sup>1</sup> According to the [National Weather Service](#) (NWS), a bomb cyclone is defined as a low-pressure storm that rapidly strengthens when a cold air mass collides with a warm air mass. Such a storm can cause high winds, heavy precipitation, and blizzard-like conditions.

**Active Flood Warnings and Advisories Spring 2019**

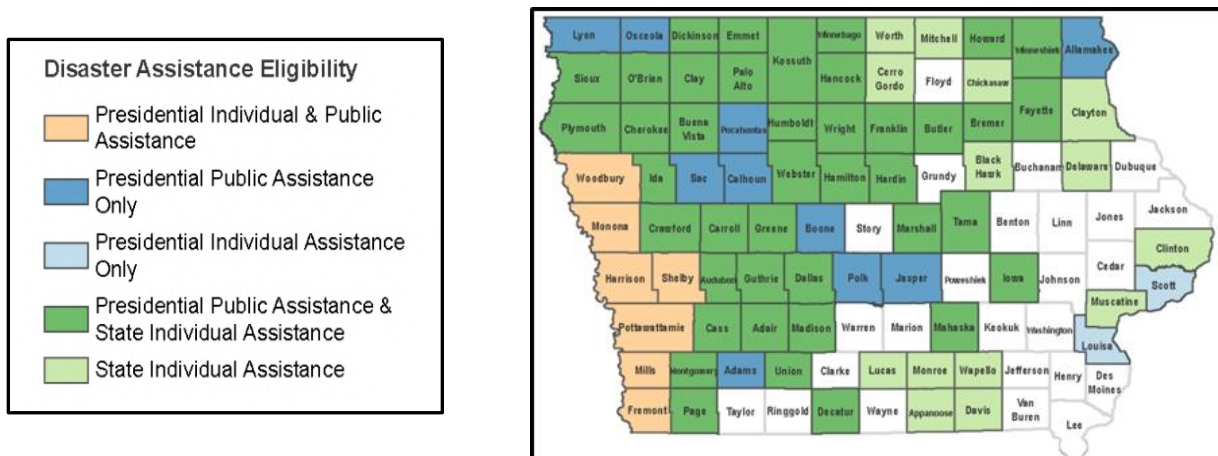


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**Statewide Disaster Declaration and Executive Order Number 4**

On April 15, 2019, Governor Reynolds signed [Executive Order Number Four](#) that proclaimed a Statewide Disaster Declaration in response to the flooding and severe weather, and activated the State Emergency Operations Center to coordinate relief efforts and response. The Governor’s proclamation activated the Iowa Individual Assistance Grant and Disaster Case Management Programs (which, along with other types of disaster assistance, will be discussed in detail on the following pages) for a total of 21 counties: *Butler, Iowa, Sioux, Cerro Gordo, Kossuth, Webster, Clayton, Mills, Winnebago, Hancock, Monona, Winneshiek, Harrison, Montgomery, Woodbury, Humboldt, O’Brien, Worth, Ida, Pottawattamie, and Wright.*<sup>2</sup> The chart below provides a breakdown of affected counties under the Statewide Disaster Declaration in March 2019, as well as references to eligible disaster assistance.

**Statewide Disaster Declaration March 2019**



Source: Iowa Legislative Services Agency

<sup>2</sup> [www.governor.iowa.gov/2019/03/gov-reynolds-issues-disaster-proclamation](http://www.governor.iowa.gov/2019/03/gov-reynolds-issues-disaster-proclamation)

At the time of the Disaster Proclamation, the Governor's Office estimated the destruction caused by the flooding to cost more than \$1.6 billion, including \$75.0 million in necessary public assistance, \$480.0 million in individual assistance, \$300.0 million in damage to local businesses, more than \$200.0 million in damage to livestock, grain, and land, and more than \$500.0 million in damages to both federal and locally owned levees.<sup>3</sup>

Executive Order Number Four also provided for the establishment of the [Flood Recovery Advisory Board](#) to serve as a central point of coordination of state assistance and mitigation activities in recovery and rebuilding efforts. The main duties of the Board include, but are not limited to:

- Establishing and implementing short-term priorities for recovery and comprehensive long-term plans for redevelopment of the State.
- Identifying federal and State legislative policy needs for the recovery and rebuilding effort.
- Identifying funding sources and innovative funding alternatives for recovery and redevelopment programs.
- Establishing priorities for the use of funds made available to the State as a result of this disaster event, including but not limited to federal funds administered under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended.
- Providing opportunities for the public, businesses, nonprofit organizations, communities, and other stakeholders to provide input into the recovery and rebuilding process.

The Board was also tasked with providing oversight and coordination of six newly established working groups charged with assisting the Board in coordinating recovery and rebuilding efforts. The six Governor-appointed groups included a working group on finance, economic development, agriculture, workforce and housing, river management, and infrastructure and public health.

As of December 1, 2020, Governor Reynolds has issued a total of 71 disaster declarations for the period 2019-2020. A majority of these declarations were related to the public health emergency as a result of the COVID-19 pandemic.<sup>4</sup> A listing of total statewide disaster declarations on an annual level is displayed below.

### **Statewide Disaster Declarations, CY 2013 – CY 2019**

	<b>Number of Disaster Declarations</b>
<b>2020 (YTD)</b>	40
<b>2019</b>	31
<b>2018</b>	28
<b>2017</b>	8
<b>2016</b>	12
<b>2015</b>	16
<b>2014</b>	26
<b>2013</b>	24

Source: [homelandsecurity.iowa.gov/disasters](http://homelandsecurity.iowa.gov/disasters)

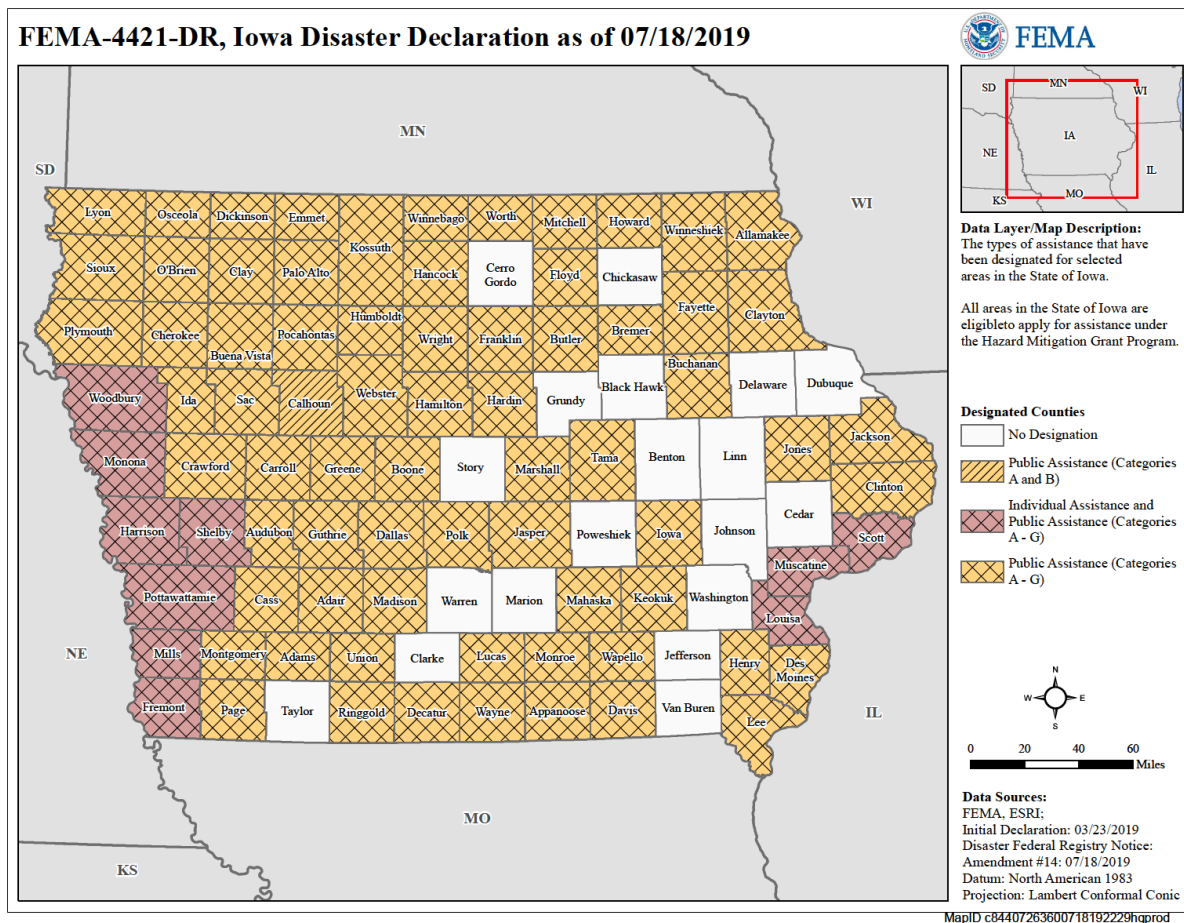
<sup>3</sup> [www.governor.iowa.gov/2019/03/gov-reynolds-issues-disaster-proclamation](http://www.governor.iowa.gov/2019/03/gov-reynolds-issues-disaster-proclamation)

<sup>4</sup> [www.homelandsecurity.iowa.gov/disasters/disaster\\_proclamations.html](http://www.homelandsecurity.iowa.gov/disasters/disaster_proclamations.html)

**Presidential Disaster Declaration — FEMA-4421-DR-IA**

On March 19, 2019, Vice President Mike Pence toured disaster areas in both Iowa and Nebraska. Two days later, on March 21, Governor Reynolds requested an expedited review of a federal major disaster declaration for severe weather events from March 12 to 13 and the following days. On March 23, President Donald Trump declared the existence of a major disaster in the State of Iowa and signed the presidential declaration [FEMA-4421-DR-IA](#). With the declaration, President Trump authorized federal funds from Public Assistance Programs for 56 Iowa counties. FEMA-4421-DR-IA also authorized federal funds from Individual Assistance grants in Fremont, Harrison, Mills, Monona, and Woodbury counties.<sup>5</sup>

**Presidential Disaster Declaration FEMA-4421-DR-IA**



Source: [www.fema.gov/disaster/4421](http://www.fema.gov/disaster/4421)

**GOVERNOR’S DISASTER DECLARATION**

In the context of public emergency management and security, Iowa Code section [29C.2\(4\)](#) defines a “disaster” to be a man-made or natural occurrence which threatens the public peace, health, and safety of the people, or which damages and destroys public or private property.

<sup>5</sup> [www.fema.gov/disaster/4421](http://www.fema.gov/disaster/4421)

When the Governor has found that a disaster exists or threatens to occur, the Governor may issue, in writing, a proclamation of a state of disaster emergency. Such a proclamation must be filed and signed by the Secretary of State and include the finding of facts on which the proclamation is sustained, the affected area of the State, and explicitly state whether the emergency is a public health disaster or not.<sup>6</sup> A proclamation expires 30 days after its establishment unless it is extended, in writing, by the Governor. Additionally, the General Assembly may vote to rescind a proclamation through the passage of a concurrent resolution if it is currently in session; if it is not currently in session, the Legislative Council may do the same by a majority vote.

Iowa Code section [29C.6](#) grants the Governor specific authority to exercise certain powers during a state of disaster emergency. The Governor may delegate or subdelegate these powers, which can be summed into three broad categories: control of State resources, control of movement of persons, and several other powers and duties. These powers are explained in detail in **Appendix A**.

Additionally, the Governor may enter into mutual aid agreements with other states and cooperate with federal agencies and offices to assist in times of a State disaster emergency.<sup>7</sup> Iowa Code section [29C.6](#)(12) authorizes the Governor to utilize personal property for relief efforts, subject to requirements for compensation. Similarly, the Governor may also suspend or limit the sale, transport, and dispensing of certain items such as alcoholic beverages, explosives, and combustibles.<sup>8</sup>

## **PRESIDENTIAL DISASTER DECLARATION**

Although state and local governments are initially responsible for protecting their citizens and helping them recover from disaster events, it can occur that both state and local governments exhaust their financial and capital capabilities to respond. In 1988, Congress enacted the [Robert T. Stafford Disaster Relief and Emergency Act, 42 U.S.C. §§ 5121-5207](#) to specifically address this problem and assist state and local governments in supporting their citizens during times before, during, and after a major disaster event. The Stafford Act establishes the process for obtaining a presidential disaster declaration, defines the type and scope of assistance available from the federal government, and sets the conditions for obtaining this assistance.<sup>9</sup> The [Federal Emergency Management Agency](#) (FEMA) is responsible for overseeing and coordinating the federal disaster response.

[Section 401](#) of the Stafford Act states that "...[a]ll requests for a declaration by the President that a major disaster exists shall be made by the Governor of the affected state."<sup>10</sup> After the Governor makes an official request for federal disaster assistance through the applicable regional FEMA office, state and federal officials begin the process of conducting a joint Preliminary Damage Assessment (PDA) that determines the severity of the disaster and its impact on individual and public facilities. Generally, the PDA is completed prior to the Governor's request and included in the official disaster aid application to provide information to verify that the disaster is of the necessary severity and magnitude that local and state government resources are insufficient and federal resources are essential. However, when the disaster event is so severe or catastrophic, the Governor may submit a request for assistance prior to submitting a PDA. A PDA is conducted in a joint manner between local, state, and

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<sup>6</sup> Iowa Code section [29C.6](#)(1)

<sup>7</sup> Iowa Code sections [29C.6](#)(7) and [29C.6](#)(9)

<sup>8</sup> Iowa Code section [29C.6](#)(16)

<sup>9</sup> [www.fema.gov/pdf/rrr/dec\\_proc.pdf](http://www.fema.gov/pdf/rrr/dec_proc.pdf)

<sup>10</sup> [www.fema.gov/sites/default/files/2020-03/stafford-act\\_2019.pdf](http://www.fema.gov/sites/default/files/2020-03/stafford-act_2019.pdf)

federal experts, such as the United States Army Corps of Engineers. A listing of total Presidential declarations established specifically for the State of Iowa follows.

### **Iowa Presidential Disaster Declarations, 2013-2020**

Presidential Disaster Declarations, CY 2013 – CY 2020
August 17, 2020 Iowa Severe Storms (August 10, 2020)
March 23, 2020 Iowa COVID Pandemic (March 17, 2020 and continuing)
March 23, 2019 Severe Storms and Flooding (March 12-June 15, 2019)
September 12, 2018 Severe Storms and Tornadoes (July 19, 2018)
August 20, 2018 Severe Storms, Tornadoes, Straight-line Winds, Flooding (June 6-July 2, 2018)
August 27, 2017 Severe Storms, Tornadoes, Straight-line Winds, Flooding (July 19-23, 2017)
October 31, 2016 Severe Storms, Flooding (September 21-October 3, 2016)
September 29, 2016 Severe Storms, Tornadoes, Straight-line Winds, Flooding (August 23-27, 2016)
July 31, 2015 Severe Storms, Tornadoes, Straight-line Winds, Flooding (June 20-25, 2015)
August 5, 2014 Severe Storms, Tornadoes, Straight-line Winds, Flooding (June 26-July 7, 2014)
July 14, 2014 Severe Storms, Tornadoes, Straight-line Winds, Flooding (June 14-23, 2014)
July 14, 2014 Severe Storms, Tornadoes, Straight-line Winds, Flooding (June 3-4, 2014)
July 31, 2013 Severe Storms, Tornadoes, Flooding (June 21-28, 2013)
July 2, 2013 Severe Storms, Tornadoes, Flooding (May 19-June 14, 2013)
May 31, 2013 Severe Storms, Tornadoes, Straight-line Winds, Flooding (April 17-30, 2013)
May 6, 2013 Severe Winter Storm (April 9-11, 2013)

Source: [homelandsecurity.iowa.gov/disasters](https://homelandsecurity.iowa.gov/disasters)

Upon receiving the Governor's request for assistance, the President, should he or she choose to accept the request, must decide what type of disaster declaration will be declared based on information provided by the completed PDA. There are two types of Presidential Disaster Declarations: 1) Stafford Act: Emergency Declaration and 2) Major Disaster Declaration. Both types of declaration authorize the President to provide supplemental federal disaster assistance, but each differs based on the disaster event that occurred and what type of funding is available.<sup>11</sup>

- 1) **Stafford Act: Emergency Declaration:** A Stafford Act Emergency Disaster Declaration can be declared for any event for which the President determines federal assistance is needed. Such declarations provide supplemental assistance for local and state entities through means of providing emergency services such as life, property, and public health and safety protection, or to mitigate or lessen the threat of a catastrophe in any part of the United States. Total assistance is limited to \$5.0 million. If the amount of needed assistance exceeds this threshold, the President must seek congressional approval.
- 2) **Major Disaster Declaration:** A Major Disaster Declaration is declared by the President in the wake of a natural event such as a hurricane, tornado, storm, high water, wind-driven water, tidal wave, earthquake, snowstorm, and drought, regardless of cause, fire, flood, or

<sup>11</sup> [www.fema.gov/pdf/rrr/dec\\_proc.pdf](https://www.fema.gov/pdf/rrr/dec_proc.pdf)

explosion that the President deems to have caused such severe damage that local and state governments are incapable of responding to with their own resources.<sup>12</sup> Major Disaster Declarations provide a more expansive range of federal assistance programs for affected individuals and public infrastructure. Additionally, a wider range of funding is available for both immediate emergency-related work and permanent, mitigation-related work.

Major Disaster Declarations provide for three types of assistance: individual assistance, public assistance, and hazard mitigation assistance, while Emergency Declarations exclude hazard mitigation as a form of assistance. These types of assistance determine which federal assistance programs are activated. It is important to note that as a part of the PDA process (and any subsequent PDAs), the Governor must explicitly request the type of federal assistance needed.

### **TYPES OF AVAILABLE ASSISTANCE (by Presidential Disaster Declaration Type)**

**Stafford Act: Emergency Declarations** allow for two types of federal supplemental assistance, Public Assistance (PA) and Individual Assistance (IA). Hazard Mitigation Grant Program assistance is not available through an Emergency Declaration. Public Assistance is primarily defined as aid to the public entities for certain emergency services and the repair or replacement of disaster-affected public facilities. Public assistance requires a federal and state cost share: at least 75.0% of assistance costs are federally obligated, and the remaining 25.0% are to be paid by the state.<sup>13</sup>

Upon the granting of PA, the process to receive financial assistance can begin. After a public entity applicant is briefed on eligibility requirements and what costs may be reimbursed by the 75.0% federal cost share limit, an applicant files an application (Request for Public Assistance or RPA) with the assistance of local or state resources.<sup>14</sup> Once an application is approved, state and federal officials will meet with applicants to review details of approved projects. The applicant is required to provide detailed documentation regarding the scope and cost of the project. Upon review of the documentation, federal officials will validate expenses eligible for reimbursement and will forward funds to the state, which will pay the applicant directly. Any other documentation related to the project must be submitted before the project is closed out. The graphic on the following page displays the Public Assistance Award Process from beginning to end.

Public Assistance is divided into seven separate categories:

- **Category A:** Debris removal.
- **Category B:** Emergency protective measures.
- **Category C:** Roads and bridges.
- **Category D:** Water control facilities.
- **Category E:** Buildings and equipment.
- **Category F:** Utilities.
- **Category G:** Parks, recreational, and other facilities.

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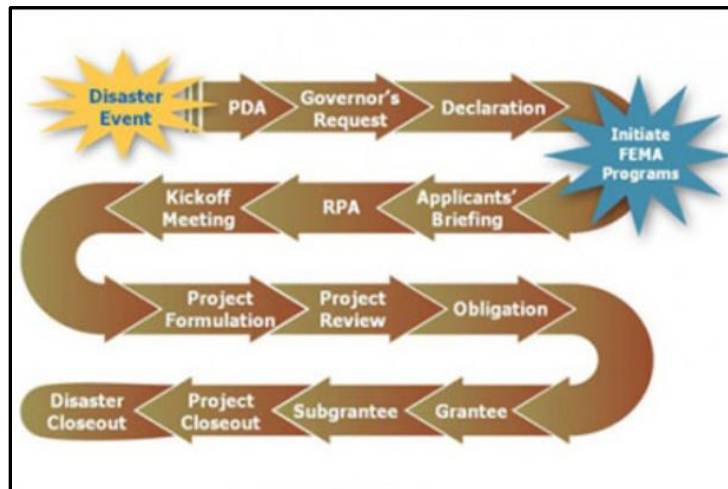
<sup>12</sup> See above.

<sup>13</sup> [www.fema.gov/pdf/media/factsheets/dad\\_disaster\\_declaration.pdf](http://www.fema.gov/pdf/media/factsheets/dad_disaster_declaration.pdf)

<sup>14</sup> See above.

**Chart 1** provides a graphical interpretation of the award process for public assistance as described above. The chart also provides greater details of the process not referenced above, so as to account for process steps completed by local governments, such as kickoff meetings and the distribution of grant funding from a grantee (state government or Homeland Security and Emergency Management Department) to the subgrantee (local government).

**Chart 1: The Public Assistance Award Process**



Source: [www.riema.ri.gov/recovery/public/index.php](http://www.riema.ri.gov/recovery/public/index.php)

In determining the amount of public assistance to provide, FEMA evaluates several factors to aid the President in making recommendations. These factors include estimated costs of assistance, localized impacts, existing insurance coverage and hazard mitigation efforts, recent disaster history, and the use of other federal agency assistance programs. These factors are discussed in greater detail in **Appendix B**.

The Stafford Act: Emergency Declaration also provides for Individual Assistance (IA). The IA primarily consists of various forms of financial, legal, unemployment, and counseling assistance available to individuals and individual households. Types of IA include assistance for individuals and households, small business administration and disaster loans, disaster unemployment assistance, legal services, special tax considerations, and crisis counseling. These types of assistance are described in greater detail in **Appendix C**.

**Major Disaster Declarations** also allow for PA and IA sources of assistance as described above. Additionally, Major Disaster Declarations also allow for **Hazard Mitigation** assistance. Hazard Mitigation is defined as the sustained measures enacted to reduce or eliminate long-term risk to people and property from natural hazards and disasters and consequently, their effects. According to FEMA, "...mitigation measures reduce personal loss, save lives and reduce the cost to the nation of responding to and recovering from disasters".<sup>15</sup> Hazard mitigation assistance is provided under sections 404 and 406 of the Stafford Act and allow for two separate funding and assistance scenarios.

**Section 404** establishes the Hazard Mitigation Grant Program (HMGP), which allows individual communities to apply for mitigation-related funding through state platforms. The state acts as the initial recipient of the grant, and is responsible for notifying applicants of available funding, establishing a project selection process, ranking and prioritizing projects and providing

<sup>15</sup> [www.fema.gov/disasters/how-declared](http://www.fema.gov/disasters/how-declared)



information regarding projects to FEMA. The state (or in some cases, local government) is required to provide a 25.0% match of project costs.<sup>16</sup> This funding must come from nonfederal sources, with the exception of the Community Development Block Grant available through the Department of Housing and Urban Development.

Funding available for the HMGP under a disaster declaration is considered to be one-time funding and is capped at 7.5% of the total estimated cost of the disaster for all other categories of assistance.<sup>17</sup> Additionally, in order to be eligible for such funding, states must have an established State Mitigation Plan that provides a summary of the hazards the state is contending with, an assessment of risks and hazards the state currently faces, and a strategy to mitigate those risks and associated vulnerabilities. If a state chooses to develop a more comprehensive Enhanced State Mitigation Plan, an additional 20.0% of funding may be available for the state under the HMGP.<sup>18</sup> States may also set aside up to 5.0% of the total HMGP funds available in order to fund projects at their own discretion, with the requirement that such a project must already be identified in the state's existing hazard mitigation plan and that it aligns with the overall goal of hazard mitigation (as defined above).<sup>19</sup> As of November 2004, local entities must also develop a mitigation plan in order to be eligible for HMGP funding.

Iowa's hazard mitigation plan, the [Iowa Comprehensive Emergency Plan](#), was last updated in June 2018 by the Iowa HSEMD.

The HMGP provides funding for numerous types of mitigation measures, including acquisition or relocation of property located in high hazard areas, elevation of flood-prone structures, significant rehabilitation of existing structures against wildfire and dry floodproofing measures that bring a structure into compliance with the National Flood Insurance Program (NFIP) and local and state regulations. Up to 7.0% of HMGP funds may be used to develop state and local mitigation plans.<sup>20</sup> According to FEMA, the primary emphasis for HMGP funds can be divided into three overarching categories:

- 1) Acquisition and Demolition:** In this funding scenario, an impacted community purchases flood-damaged property and completely demolishes the structure. The proceeds of the sale allow the property owner to purchase replacement housing in the market, while the local government assumes the damaged property's title and is required to maintain the property as open space into perpetuity.
- 2) Relocation:** The HMGP also provides funding for relocating an impacted property (if structurally viable). Such relocated structures must be relocated outside of a 100-year floodplain and any regulatory erosion zones, and conform to other applicable state or local land use regulations.
- 3) Elevation and Floodproofing:** If applicable and practical, the HMGP also provides funding for flood damage reduction measures such as elevating a structure in order to meeting NFIP requirements. However, it is important to note that floodproofing techniques may only be applied to commercial properties, whereas only residential structures are required to be elevated. Communities can apply for grant funding to allow individual property owners to cover increased construction costs incurred during the floodproofing or elevation process.

[Section 406](#) of the Stafford Act establishes hazard mitigation funding guidelines that provide FEMA with the authority to fund cost-effective mitigation measures as a part of the PA program.

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<sup>16</sup> See above.

<sup>17</sup> [www.fema.gov/disasters/how-declared](http://www.fema.gov/disasters/how-declared)

<sup>18</sup> [www.fema.gov/pdf/rrr/dec\\_proc.pdf](http://www.fema.gov/pdf/rrr/dec_proc.pdf)

<sup>19</sup> See above.

<sup>20</sup> See above.

Funding provided under Section 406 may cover costs associated with repairs, restoration, and replacement of specific facilities, if eligible.<sup>21</sup> It is important to note that only FEMA has the discretion to determine eligibility and approval of Section 406 funds and that such funds only be applied to the part of a facility that was actually damaged by a disaster. Additionally, FEMA requires that any projects completed with funding under Section 406 are considered to be cost-effective, which includes the following requirements:

- Section 406 mitigation approved for the repair of a facility may not be applied towards an alternate project.
- Hazard mitigation funding may not be duplicated, i.e., the funding under Section 406 may not be used to meet a state's share of another grant.
- Acceptable cost/benefit analysis must be provided and demonstrated for measures that exceed originally assumed costs.
- Mitigation measures may not exceed 100.0% of the eligible cost of a project or repair.<sup>22</sup>
- Mitigation measures may amount up to 15.0% of the total eligible project or repair cost.<sup>23</sup>

Examples of hazard mitigation approved by funding under Section 406 include slope stabilization, floodproofing of buildings, protection of utilities, flood protection of bridges, and relocation of specific entities.

Section 406 funding primarily differs from Section 404 funding in that Section 406 funding is granted specific to a certain disaster and only applies to applications that seek disaster relief under PA. Section 406 is administered only by FEMA.<sup>24</sup> Section 404 funding applies to statewide projects and is not disaster specific. Section 404 funding is administered through the Iowa HSEMD. The chart below shows the differences between Section 404 and 406 funding.

#### **The Stafford Act: Section 404 vs. Section 406 Funding**

406	404
Implemented under FEMA PA Program	Administered by State
Site specific	Applied Statewide
Cost effective funding	Cost effective funding
Not capped	Capped at a percentage
Event/incident specific	Can be used throughout the state on damaged & non-damaged facilities
Damaged element of facility only	Non-damaged facility
Non-competitive	Competitive

Source: [www.riema.ri.gov/recovery/public/406-mitigation/index.php](http://www.riema.ri.gov/recovery/public/406-mitigation/index.php)

<sup>21</sup> [www.riema.ri.gov/recovery/public/406-mitigation/index.php](http://www.riema.ri.gov/recovery/public/406-mitigation/index.php)

<sup>22</sup> [www.riema.ri.gov/recovery/public/406-mitigation/index.php](http://www.riema.ri.gov/recovery/public/406-mitigation/index.php)

<sup>23</sup> See above.

<sup>24</sup> See above.

## **FUNDING RECEIVED FOR FY 2019 FLOODING**

### **State Funding**

[Senate File 638](#) (FY 2020 Standing Appropriations Act) appropriated a total of \$15.0 million from the General Fund to the Flood Recovery Fund established under the auspices of the Department of Homeland Security and Emergency Management. The Fund was established with the intent to provide financial assistance to the number of counties that were designated under the Presidential Disaster Declaration [DR-4421-IA](#). Senate File 638 also tasked the Flood Mitigation Board, which has administered the Flood Mitigation Program since 2012, with controlling the Flood Recovery Fund and establishing a process under which eligible political subdivisions may apply for funding. The Board is required to consider the following in approving funding requests:

- A description of the project and how it supports flood response, recovery, or mitigation.
- A description of the financial assistance needed from the Flood Recovery Fund.
- Additional moneys being applied to the project.

Iowa Code section [418.6](#) provides specific guidelines as to how the Flood Mitigation Board is to approve, deny, or defer any requests for funding from the Flood Recovery Fund. In May 2020, the Flood Mitigation Board approved a draft application for funding from the Flood Recovery Fund. The Board approved six applications for funding totaling \$15.0 million for the following proposed projects, as displayed in the following table.

### **Flood Mitigation Board Approved Projects, Senate File 638**

<b>Location</b>	<b>Proposed Project</b>	<b>Funding Award</b>
<b>City of Hamburg</b>	Demolition, Land Acquisition, Housing Incentive	\$ 940,857
<b>City of Hamburg</b>	Ditch Levee Elevation	6,356,324
<b>City of Fredonia</b>	2019 Flood Mitigation Project	135,550
<b>City of Hornick</b>	2019 Flood Mitigation Project	2,071,708
<b>Mills County</b>	Acquisition, Demolition, Local Match	2,341,923
<b>City of Pacific Junction</b>	Acquisition, Demolition, Local Match	3,153,638
	<b>Total</b>	<b>\$ 15,000,000</b>

Source: Iowa Legislative Services Agency, Flood Mitigation Board

According to the Flood Mitigation Board, the total cost for all six approved projects was estimated to be \$59.3 million. In addition to the \$15.0 million appropriation from SF 638, the Board estimated local funding to cover \$5.9 million of the cost and the State to provide a 10.0% cost share match of \$4.3 million. The remaining \$34.1 million of the total cost was estimated to be the federal cost share of the necessary assistance.

Upon determining additional funding needs for various flood mitigation projects remaining after the initial \$15.0 million appropriation in SF 638, the Iowa Legislature provided an additional appropriation of \$21.0 million under [SF 2144](#), the FY 2020 Supplemental Appropriations Act. As of December 1, 2020, a total of \$36.0 million has been appropriated to the Flood Recovery Fund. The chart below shows the balance and expenditures of the Fund since its establishment in FY 2019.

**Flood Recovery Fund Balance, FY 2019 — FY 2021 (YTD)**

Resources	FY 2019	FY 2020	FY 2021 (YTD)
<b>Appropriation</b>	\$ 15,000,000	\$ 21,003,186	\$ 0
<b>Balance Brought Forward</b>		15,000,000	25,818,398
<b>Interest</b>		209,501	25,946
<b>Total</b>	<b>\$ 15,000,000</b>	<b>\$ 36,212,687</b>	<b>\$ 25,844,344</b>
<b>Expenditures</b>	0	10,394,289	0
<b>Balance</b>	<b>\$ 15,000,000</b>	<b>\$ 25,818,398</b>	<b>\$ 25,844,344</b>

Source: Integrated Information for Iowa (I/3) Budget System

### Federal Funding

The following charts display total funding, including total individual assistance, total public assistance, and total hazard mitigation grant funding received as related to the Presidential Disaster Declaration DR-4421-IA, beginning March 23, 2019, and continuing. These numbers are accurate as of December 1, 2020.

**Total Individual Assistance Received, DR-4421-IA (as of January 20, 2020)**

Individual Assistance	Amount
Total Housing Assistance (HA)– Dollars Approved	\$ 13,417,046
Total Housing Assistance (HA)– Dollars Approved	1,773,205
<b>Total Individual and Housing Assistance Dollars Approved</b>	<b>\$ 15,190,251</b>
Individual Assistance Applications Approved	2,739

Source: [www.fema.gov/disaster/4421](http://www.fema.gov/disaster/4421), Iowa HSEMD

As of December 1, 2020, over 80 counties have received some form of FEMA Public Assistance under the Presidential Disaster Declaration DR-4221-IA. **Chart 2** breaks down the type of assistance received as referenced by the disaster assistance categories.

**Chart 2: Total Public Assistance (by Category), DR-4221-IA**

<b>Public Assistance</b>	<b>Amount</b>
Emergency Work (Cat.A-B) - Dollars Obligated	\$ 34,420,801
Permanent Work (Cat. C-G) - Dollars Obligated	160,340,929
<b>Total Obligated</b>	<b>\$ 194,761,730</b>

Source: Iowa Department of Homeland Security and Emergency Management

Of the total Public Assistance received under DR-4221-IA, 18.0% went to debris removal and emergency protection measures. The remaining 82.0% of funding was allocated to roads and bridges, water control facilities, building and equipment, parks, and other recreational facilities.

As of December 1, 2020, the State of Iowa has also received a total of \$42.3 million through the Hazard Mitigation Grant Program in the form of grants for various types of mitigation measures. Additionally, according to HSEMD, a total of \$30.0 million has been approved in the form of Small Business Administration grants.

The federal disaster funding process in response to the 2019 flooding across Iowa has been a long and often complicated process, and will likely continue to be implemented for several years to come. For additional information regarding federal funding for flood disasters, as well as information related to hazard mitigation in general, please visit [homelandsecurity.iowa.gov/disasters/](http://homelandsecurity.iowa.gov/disasters/).

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## Appendix A

- 1) **Control of State Resources:** Iowa Code section [29C.6\(10\)](#) allows the Governor to utilize all available resources of the State and its political subdivisions as “reasonably necessary” to manage and mitigate the disaster emergency. Additionally, Iowa Code section [29C.6\(4\)](#) also grants the Governor the authority to transfer the direction, personnel, or functions of State departments and agencies for the purpose of performing or facilitating emergency management. State agencies and State political subdivisions may be used to help facilitate the removal of debris that threatens public or private health or safety from private or public property.<sup>25</sup>
- 2) **Control of Movement of Persons:** Iowa Code section [29C.6\(13\)](#) states that the Governor may order the evacuation of all or part of a population in an impacted or disaster-threatened area, if the Governor deems evacuation necessary to preserve life or for other means of disaster mitigation, response, or recovery. Iowa Code section [29C.6\(15\)](#) also grants the Governor the authority to regulate the movement of persons within disaster areas, including the occupancy of certain premises in the area.
- 3) **Other Powers and Duties.** In addition to the control of state resources and movement of persons in a state disaster area, the Governor may also suspend provisions of regulatory statutes or administrative rules prescribing procedures for the conduct of businesses located within the State, if strict compliance with such a statute or rule would prevent, hinder, or delay necessary action related to disaster recovery and mitigation.<sup>26</sup> However, in doing so, the Governor must provide and specifically state the reasons for the suspension of any rule or statute.

## Appendix B

- **Estimated Costs of the Assistance:** FEMA is tasked with evaluating the potential cost of federal and nonfederal public assistance by utilizing a measure of per capita impact in terms of the total population affected.<sup>27</sup> This amount acts as an indicator as to the severity of the disaster and accordingly, how much federal financial assistance may be provided.
- **Localized Impacts:** FEMA is also tasked with estimating disaster damage costs on a county and local level, as well as for American Indian and Alaskan Native tribal governments. In some cases, the per capita cost mechanism does not provide a true estimate of localized cost. This can occur when public infrastructure, such as major roadways, is damaged and due to its location, leads to a higher per capita impact, in spite of the fact that overall per capita impact is low.<sup>28</sup> By evaluating localized impacts, FEMA can accommodate unintended data distortions based on how heavily populated impacted areas are.
- **Insurance Coverage:** FEMA considers the amount of insurance held by the State or local entity, or the amount of coverage that should be held at the time of the disaster. The

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<sup>25</sup> Iowa Code section [29C.6\(4\)](#)

<sup>26</sup> Iowa Code section [29C.6\(6\)](#)

<sup>27</sup> [www.fema.gov/pdf/rrr/dec\\_proc.pdf](http://www.fema.gov/pdf/rrr/dec_proc.pdf)

<sup>28</sup> See above.

amount of federal assistance is dependent on how much insurance coverage is available or should have been available.<sup>29</sup>

- **Hazard Mitigation:** FEMA also determines what, if any, mitigation efforts were made to contribute to the reduction of disaster damages. The amount of mitigation efforts made may have an effect on the estimated public damage assessments, forcing them to fall below per capita assistance thresholds.<sup>30</sup>
- **Recent Multiple Disasters:** Recent disaster history, specifically within the last 12 months, allows FEMA to make a better assessment of the amount of financial assistance needed. FEMA considers any previous Stafford Act and/or Governor's Disaster Declarations and to what extent these declarations have expended funds prior to recommending financial assistance for the most recent disaster.
- **Other Federal Agency Assistance Programs:** In determining what kind of assistance to provide, FEMA also considers the availability of other federal programs, as they may more appropriately meet the needs arising out of the disaster.

### **Appendix C**

- **Individual and Households Program:** The Individual and Households Program (IHP) provides money and services to individuals and families in a declared disaster area whose property has been damaged or destroyed and not covered by insurance.<sup>31</sup> This is a shared State/federal program and applicants must register for assistance. IHP also provides funding for temporary housing and rent reimbursement, repair grants, funding for home replacement, assistance for permanent housing construction, and funding for other serious medical, dental, funeral, personal property, moving, and storage costs as approved by FEMA.
- **Small Business Administration and Disaster Loans:** The United States Small Business Administration (SBA) provides federally subsidized loans to allow individuals to repair or replace homes or businesses that have been damaged by a disaster.<sup>32</sup> The SBA primarily offers three types of loans:
  1. **Home Disaster Loans** are available to homeowners and renters to repair or replace disaster-related damages to home or personal property.
  2. **Business Physical Disaster Loans** are offered to business owners who seek to repair or replace disaster-damaged property, including inventory and supplies.
  3. **Economic Injury Disaster Loans** provide financial assistance and capital to small businesses and to small agricultural cooperatives to assist them through the disaster recovery period.
- **Disaster Unemployment Assistance:** The Disaster Unemployment Assistance (DUA) program offers unemployment benefits and reemployment services to individuals who have lost their jobs due to a disaster. Benefits can last up to 26 weeks after a Presidential Disaster Declaration date. Individuals eligible for such benefits are primarily individuals who are not covered by other unemployment programs such as self-employed individuals,

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<sup>29</sup> [www.fema.gov/pdf/rrr/dec\\_proc.pdf](http://www.fema.gov/pdf/rrr/dec_proc.pdf)

<sup>30</sup> See above.

<sup>31</sup> See above.

<sup>32</sup> See above.

farmers, and migrant and seasonal workers, as well as those who have not yet qualified for other unemployment compensation.<sup>33</sup>

- **Legal Services:** The [Young Lawyers Division of the American Bar Association](#) offers free legal assistance to disaster victims and low-income persons who are unable to obtain legal services in circumstances exacerbated by a disaster.<sup>34</sup> Such advice is limited to cases that will not result in fees as it is provided by attorneys who work on a pro bono basis. Cases that do not generate fees are referred to local lawyers. The Young Lawyers Division specifically aids with medical, life, and property insurance claims, landlord and tenant issues, consumer protection matters, remedies and procedures, and replacement of significant documents damaged during the disaster.
- **Special Tax Considerations:** Individual assistance provided by the Stafford Act also allows taxpayers who have suffered a loss due to a declared disaster to deduct that loss on their federal individual income tax return for the year in which the loss occurred, or elect to deduct the loss on the tax return on the preceding year. Such a loss must exceed 10.0% percent of adjusted gross income for the tax year by at least \$100.<sup>35</sup> If the loss occurred as a result of a federally declared disaster, the taxpayer may choose which tax year the loss will be claimed in.
- **Crisis Counseling:** The Crisis Counseling Assistance and Training Program (CCP) established by the Stafford Act provides supplemental funding to states for short-term crisis-related counseling services for individuals affected in presidentially declared disasters. States may request assistance in the form of immediate services, which enable a state or local agency to respond to immediate mental health needs through diagnostics, screening, counseling, and outreach. States may also request assistance with regular services that provide up to nine months of crisis counseling, community outreach, family consultation, and education services to those affected by a presidentially declared disaster.

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<sup>33</sup> [www.fema.gov/pdf/rrr/dec\\_proc.pdf](http://www.fema.gov/pdf/rrr/dec_proc.pdf)

<sup>34</sup> See above.

<sup>35</sup> See above.