



TONY KURTZ

STATE REPRESENTATIVE • 50th ASSEMBLY DISTRICT

2019 Assembly Bill 380

Assembly Committee on Federalism and Interstate Relations

Relating to: federal emergency management assistance payments to municipalities

Thank you, Chairman Vorpapel for holding a public hearing on Assembly Bill 380 (AB 380) today and thank you to members of the committee for taking my testimony on the Disaster Assistance Streamlining Act.

The idea for this bill arose out of the cleanup from the historic flooding that occurred in my district in 2018 and specifically from the Town of Glendale, located in Monroe County. August 28, 2018, the Town of Glendale received over 8.5 inches of rain in a twenty-four hour period. Due to the damage that resulted, a state of emergency was declared and Glendale was eligible for disaster relief through the Federal Emergency Management Agency (FEMA) and Wisconsin Emergency Management (WEM).

Currently, WEM already provides emergency management training to counties on an annual basis, part of what this bill does it to mandate that the training include how to sign up for the federal Systems for Award Management (SAM), which is a recent federal mandate. When we began circulating this bill, almost one-third of eligible recipients were not signed up for SAM. That's a problem because if they do not sign up for SAM, they will not receive their disaster relief, even if their application is granted.

This bill also requires that electronic correspondence and electronic payment occur so as to reduce the time for reimbursement. Current practice for the transmission of communication and documents is for the entity affect to provide hard copies via postal mail. In our example of Glendale, it took tens day for the forms to be mailed and processed. Finally, under Assembly Amendment 2, this bill requires WEM to issue payments from FEMA to the municipalities within thirty days of receipt from FEMA.

While I have highlighted Glendale, throughout this bill, "Glendale" very well could be any community throughout the state that has been hit with a natural disaster in a declared state of emergency.

Thank you again for the opportunity to present my testimony on AB 380, federal emergency management assistance payments to municipalities. I will gladly take any question you have at this time.



HOWARD MARKLEIN

STATE SENATOR • 17TH SENATE DISTRICT

January 23, 2020

Assembly Committee on Federalism and Interstate Relations Testimony on Assembly Bill (AB) 380

Thank you Chairman Vorpapel and committee members for hearing Assembly Bill 380 (AB 380), the Disaster Assistance Streamlining Bill, which reforms processes for disaster assistance to expedite funding and support for small, rural communities.

Natural disasters can strike anywhere at any time. Flooding throughout the summer of 2018 had a devastating impact on many communities in the 17th Senate District and around the state. One community that was particularly hard-hit was the Town of Glendale in Monroe County, which received 8.5 inches of rain in one day in August. Because of the severity of the flooding, Glendale, like many other communities, was eligible for disaster assistance through the Federal Emergency Management Agency (FEMA) and Wisconsin Emergency Management (WEM).

However, the assistance process is long, convoluted, and arcane. In addition, frequent changes to the procedures make it difficult to quickly reimburse communities for disaster clean-up and repair costs. The long delay forces many communities to take out loans for repairs. Every day money is delayed is another day a community pays interest on the loan, straining local budgets.

Last year, the Town of Glendale alerted me to the difficulty of the reimbursement process. Through an in-depth look at WEM's processes, I discovered numerous areas where the system could be improved.

Specifically, AB 380 as amended by Assembly Amendment 2:

- Requires WEM to provide training to ALL local units of government on how to sign-up for the System for Award Management (SAM) program that is a requirement for receiving FEMA funds through WEM.
- Directs WEM to complete its due diligence to make sure all local units of government have created a SAM account by June 30, 2021.
- Streamlines the reimbursement process by requiring WEM to issue FEMA payments to municipalities within 30 days of receipt of funds and required forms.
- Further streamlines the process by providing an option to submit information to WEM electronically and to receive reimbursements via electronic funds transfer or direct deposit.

To highlight the need for these reforms, earlier this year, nearly a year after the 2018 disasters, 32% of eligible local units of government had not registered in the SAM program and were

therefore unable to receive any FEMA or WEM payment. In addition, some of them told me that they were unaware that they were supposed to do so.

We have also introduced Assembly Amendment 2 to AB 380 which ensures that the decision on electronic communication is made at the local level. In its original form, AB 380 requires the head of emergency management in each county to decide on electronic communication for the entire county. This technical amendment allows each local unit of government to decide on its use of electronic communication. This amendment will align the decision-making for electronic communication with the decision-making for direct deposit.

In addition, after receiving feedback at the public hearing in the Senate Committee on Transportation, Veterans, and Military Affairs and through subsequent discussions with WEM, Assembly Amendment 2 lengthens the timeframe for payment to the local unit of government from 14 days to 30 days. This is the accepted timeframe and industry standard for disaster assistance payments. Even with this lengthened timeframe, in most cases, this will still get disaster relief money to our communities faster than before.

In addition, Amendment 2 explicitly adds “state requirements” to the list of items that need to be completed before the 30 day clock begins. This will ensure that the state is able to complete its due diligence to guard itself and local communities from potential future financial damages.

SB 369 as amended, the Senate companion to AB 380, was recommended for passage by the Senate Committee on Transportation, Veterans, and Military Affairs 5-0 on October 22, 2019 and was passed 33-0 on the Senate floor on November 5, 2019.

This bill requires WEM to be more helpful and better assist small municipalities in the recovery process. Our communities should not be held back by red tape when they are working so hard to help residents recover. Thank you again to the committee for hearing this proposal, and your timely action on the bill.

Raye Walz

House Committee Meeting on
Disaster Assistance Streamlining Bill
SB369 January 23
HB 380

As a Town representative I ask that you support this bill.

August 2018 we were impacted by the flooding we received an estimated 14 inches of rain over a 2 day period. The worst damage was caused by the rain on the 2nd day.

In order to ensure that we had our roads ready for winter, we took out a \$200,000 line of credit at the local bank to enable us to pay the contractors for the work performed and for the materials used. We used the entire amount to pay these bills this was a 60% increase to our yearly spending

During the course of conversations with the FEMA Representative it was explained to me that when FEMA Obligated funds for a disaster project, at that time the funds were transferred to the state. From the time the money was first obligated it took 66 days for the money to get from WEM to me at Town Level.

I know that 66 days in government time is relatively fast. It was still to slow for us to receive the funds.

While the money was sitting here at the state, the Town of Glendale was accruing interest on the \$200,000.00 line of credit.

Our Total budget for 2018 was \$335,000.00

Our Budget for 2019 was \$382,726.00 we asked for and was granted by our electors a \$50,000 increase to our budget for 2019 and following years.

With our resources we did not have any extra money to spend on the interest that was incurred while the funds were sitting here in Madison.

WEM is doing business in an outdated fashion. The process of WEM approving the projects that have already been approved by FEMA Then sending the paperwork via mail to the County Emergency Management Coordinator who then calls the town to come and sign the paperwork and pick up a check.

The fix for this is to allow the Towns to receive paperwork via email, and the funds to be direct deposited to the accounts. All of the information for this to happen is asked for in the initial process for applying for disaster assistance.

SAMS .gov is a difficult application to figure out, The Town of Glendale was blessed by having a SAMS account established.

I personally assisted another town with setting up their SAMS account. This took us 2 days to figure out we got it done however it was a difficult process. Any assistance that can be given to town staff to teach them how to get a SAMS Account set up will be helpful

Most of the people that are on town boards are from the generation that does not use a lot of computers and they need all the help they can get!!!