

Bullet Points Kevin Guthrie Senate Select Committee on Resiliency **March 8, 2023**

- I'll begin this presentation by providing you with a brief overview of the program - in 2021, the Robert T. Stafford Disaster Relief and Emergency Act was amended to include the STORM Act.
- This program authorizes grants to state governments for the purpose of establishing revolving loans for hazard mitigation projects, zoning and land use planning updates, and building code enforcement.
- The revolving loan funds are primarily intended to provide low interest long-term loans for natural hazard mitigation projects, including the satisfaction of local match requirements for federal hazard mitigation grants.
- On December 20, 2022, FEMA released the Notice of Funding Opportunity, making \$50 Million available for eligible entities to establish revolving loan funds providing direct loans to local governments for projects and activities that mitigate the impacts of future natural disasters.
- The intent is for the STORM Act to mirror the Environmental Protection Agency's Clean Water and Drinking Water revolving loan programs, which makes funding available so that states can set up their own internal revolving loan programs to make funding and priority decisions based on the state's unique needs.
- Low interest loans under the STORM Act will allow jurisdictions to reduce vulnerability to natural disasters and foster greater community resilience.
- With respect to those priorities I went over in the previous slide, the allowable use of funds for the STORM Act include the following:
 - Mitigation Activities, which include:

- Costs associated with projects or activities mitigating the impacts of natural hazards, and
 - Study and creation of agricultural risk compensation districts, land use incentives that reward developers for greater reliance on low impact development, or an erosion response plan.
 - Other allowable costs include:
 - Non-federal cost share for FEMA Hazard Mitigation Assistance grants;
 - Local government technical assistance; and
 - Entity administrative costs.
- As provided in the STORM Act, the following terms apply for recipients:
 - Loans will have an interest rate of no more than one-percent;
 - Loan repayments will commence no later than 1 year after project completion;
 - Loan repayments must be completed no later than 20 years after the date the project is completed, or 30 years after the date the project is completed for projects in low-income geographic areas; and
 - Loan recipients must establish a dedicated source of revenue for repayment.
- Moving forward, the next steps required for Florida to take advantage of funding made available through the Federal STORM Act include this legislative body considering legislation establishing a revolving loan program, matching funds of 10-percent, and budget authority.
- The Division is presently working on our application to FEMA by soliciting project proposals via the required six-week Public Comment period and developing an Intended Use Plan.

- Both the projected project proposals and the Intended Use Plan will accompany our application to FEMA.