



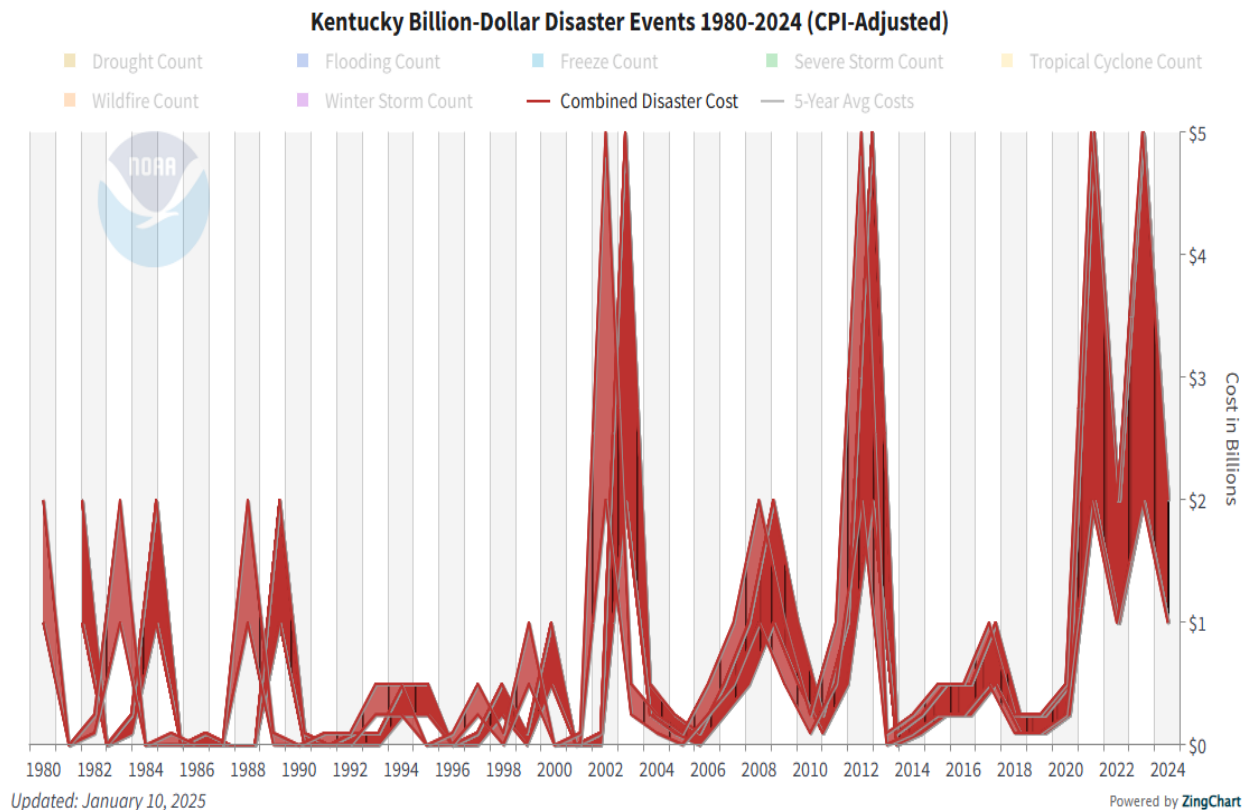
# **Disaster Response Funding Provisions**

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**Appropriations & Revenue**

**July 15, 2025**

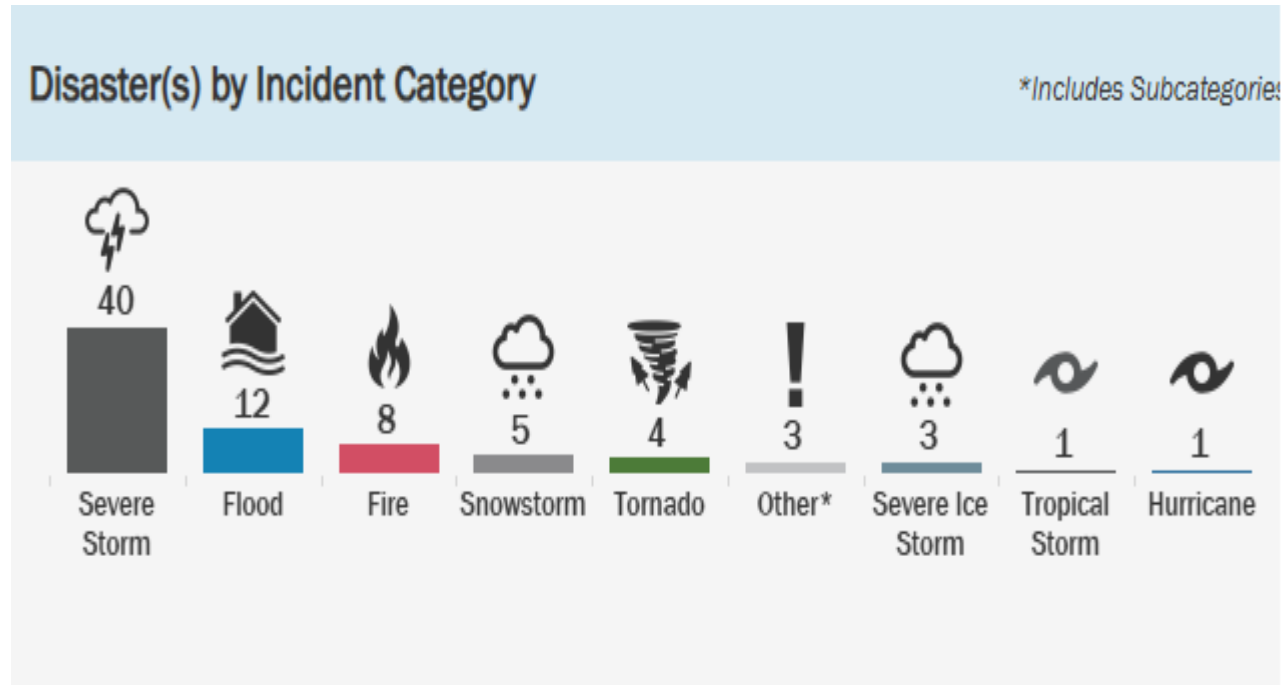
# Weather Disasters In Kentucky



[National Centers for Environmental Information](#)  
[National Conference of State Legislatures](#)

- According to the National Centers for Environmental Information, since 1980, there have been 92 weather disaster events with losses exceeding \$1 billion in Kentucky. (Percentages are the percent of total costs for all events.)
  - 58 severe storms (57.4%)
  - 12 winter storms (5.5%)
  - 10 drought events (27.3%)
  - 5 tropical cyclones (5.5%)
  - 4 flooding events (3.3%)
  - 3 freeze events (0.9%)

# Federally Declared Disasters In Kentucky



[FEMA](#)

- Since 1980, there have been 77 federally declared disasters in Kentucky.
- 29 (38%) of the 77 occurred in the last decade.



# EKSAFE Fund – Appropriations – KRS 39A.303

East Kentucky SAFE			
Recipient	Description		Amount
Military Affairs	Strained fiscal liquidity, FEMA, floodplain planning, etc.	BRTF	\$ 75,000,000
KDE	School districts	BRTF	\$ 11,275,000
Schools & Utilities	Strained fiscal liquidity	BRTF	\$ 40,000,000
City & County Governments	Strained fiscal liquidity	BRTF	\$ 28,725,000
KYTC	Non-federal share of FEMA for state road and bridge projects	BRTF	\$ 45,000,000
KIA	ARPA funds for water and sewer infrastructure projects	Federal Funds	\$ 12,662,200
<b>Total</b>			<b>\$ 212,662,200</b>



# WKSAFE Fund – Appropriations – KRS 39A.305

West Kentucky SAFE			
Recipient	Description	Fund Source	Amount
Universities	UK and MuSU	General Fund	\$ 9,110,000
Military Affairs	Strained fiscal liquidity, FEMA, revenue loss, etc.	General Fund	\$ 125,890,000
Department of Education	School districts	General Fund	\$ 30,000,000
Rural Housing Trust Fund		General Fund	\$ 10,000,000
Economic Development	KY Risk Assistance Program	General Fund	\$ 25,000,000
<b>Total</b>			<b>\$ 200,000,000</b>

# SAFE 4860 Fund – Appropriations – KRS 39A.307

SAFE 4860 - no direct appropriations have been made - Governor has been given authority to make transfers and to use NGE authority as identified in the table

Recipient	Description		Amount
SAFE 4860	Transfer of remaining appropriation from EKSAFE - KYTC	Restricted Funds	\$ 28,478,387
SAFE 4860	Transfer of appropriation from KY Risk Assistance Program	Restricted Funds	\$ 25,000,000
SAFE 4860	NGE authority of up to \$100M over the biennium	NGE	\$ 100,000,000
<b>Total</b>			<b>\$ 153,478,387</b>



# Disaster Management-Proactive

*(Per The Pew Charitable Trusts)*

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- Mitigation includes actions to reduce harm associated with disasters such as disclosing risk factors, using building codes, planning local land use, buyouts and relocation, and insurance.
    - 2024 RS HB 256 is an example.
  - Preparedness includes planning, training, identifying threats, assessing vulnerabilities, and establishing warning systems.



# Disaster Management-Reactive

*(Per The Pew Charitable Trusts)*

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- Response to disasters limit the loss of life, injury, and property damage, and includes search and rescue and emergency food and shelter.
- Recovery includes short and long term efforts to restore communities.



# Limitations Of Current Budgeting Practices – **Nationally** *(Per The Pew Charitable Trusts)*

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- In general, states do not have comprehensive disaster spending data (federal, state, and local)
- Outdated funding approaches disrupt budgets and hinder planning; being reactive, not proactive
- States do not prioritize investments that reduce disaster risk
  - Mitigation measures could help but are not being prioritized



# Strategies For Improvement

*(Per The Pew Charitable Trusts)*

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- Measure disaster spending across state and local governments
  - Identify the data to be tracked
  - Collect the data uniformly and regularly
  - Coordinate data identification and collection across agencies
  - Produce meaningful disaster reports

# Strategies For Improvement

*(Per The Pew Charitable Trusts)*

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- Manage disaster funding proactively
  - Prioritize sustainable, proactive funding mechanisms
  - Clearly define state disaster-related responsibilities
  - Assess spending trends to inform funding amounts and regularly fund disasters before they occur
  - Set aside federal reimbursements to help pay for future costs (instead of general fund)
  - Clarify reimbursement policies for agencies, both state and local

# Strategies For Improvement

*(Per The Pew Charitable Trusts)*

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- Mitigate risk of worsening disasters
  - Maximize investments from nonstate sources
  - Enhance administrative capacity to deploy federal funds effectively
  - Support increased local investment
  - Provide sustained funding for mitigation programs
  - Invest in resilience planning capacity

# KRS Chapters 39A to 39F

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- KY Division of Emergency Management (KYEM) was established in 1998, and is part of the KY Department for Military Affairs.
  - Confers emergency powers to the governor and certain members of local governments.
  - Establishes provisions for mutual aid among local governments of KY, other states, and the federal government for disaster and emergency preparedness, response, recovery, and mitigation.
  - Establishes a statewide comprehensive emergency management program and integrated management system, promulgation of orders or administrative regulations, and the taking of other steps necessary to carry out the provisions of KRS Chapters 39 A to F

# South Carolina - Office Of Resilience

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- Purpose: The South Carolina Office of Resilience (SCOR) exists to increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters. The Disaster Relief and Resilience Act directs SCOR to develop, implement and maintain the Strategic Statewide Resilience and Risk Reduction Plan (Resilience Plan). The Resilience Plan is intended to serve as a framework to guide state investment in flood mitigation projects and the adoption of programs and policies to protect the people and property of South Carolina from the damage and destruction of extreme weather events (S.C. Code Ann. § 48-62-30 et seq.).

# South Carolina; Comprehensive Plan

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- [https://scor.sc.gov/sites/scor/files/Documents/FINAL%20RESILIENCE%20PLAN\\_06282023\\_compressed.pdf](https://scor.sc.gov/sites/scor/files/Documents/FINAL%20RESILIENCE%20PLAN_06282023_compressed.pdf)

# South Carolina - Office Of Resilience

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- Disaster Relief and Resilience Reserve Fund
  - "Activities completed using this assistance shall account for future risks and hazard exposure in order to rebuild in manner that will reduce the exposure of the community to future hazards and reduce future losses."
  - Must be a federally declared disaster



# South Carolina - Office Of Resilience

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- South Carolina Resilience Revolving Fund
    - Low interest rates (no higher than 40% of the market interest rate) for buyout program of properties that experience repetitive flood loss or to complete floodplain restoration projects
    - Eligible: State agencies, commissions, local governments or certain land trusts
    - Implementing beneficial flood mitigation practices can earn awardees additional financial incentives
    - Certain qualifications can allow up to 25% of the loan to be converted to a grant
    - Does not apply to any homes built after July 1, 2020

# South Carolina - Office Of Resilience

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## **BUYOUTS**

of properties experiencing  
repetitive flood loss

## **FLOODPLAIN RESTORATION**

on lands already bought out using  
other funding sources

Priority will be given to projects which:

- Buyout blocks or groups of homes (avoiding the “checkerboard” effect)
- Buyout single-family primary residences and multifamily residences
- Use of Revolving Loan funds to leverage additional funding sources
- Serve low to moderate income households earning less than 125% of the median household income in the eligible fund recipient’s area
- Implement activities consistent with the goals and priorities of the Statewide Strategic Resilience and Risk Reduction Plan

# South Carolina - Office Of Resilience

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- Safe Home Program
  - Administered by the Department of Insurance
  - Provides matching and non-matching grant funds to help coastal property owners retrofit their homes
  - For owner-occupied, single family homes
  - This program partners with the IBHS Fortified Program, which can help with insurance costs



# Sales And Use Tax Exemption

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- Sales and use tax – my focus
- KRS 139.519 provides that a legal building owner with damaged property from a disaster in a federally declared disaster area may qualify for a refund of tax paid on the purchase of building materials for repair of an existing building or for construction to replace a destroyed building in the disaster area; up to \$6,000.

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