

1 AN ACT relating to fiscal matters providing funding for disaster recovery and
2 relief, making an appropriation therefor, and declaring an emergency.

3 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

4 ➔Section 1. 2022 RS HB 5/GA, Section 4, 2022 Ky. Acts ch. 2, sec. 4, is
5 amended to read as follows:

- 6 (1) The West Kentucky State Aid Funding for Emergencies (SAFE) fund is established
7 and shall be:
- 8 (a) Administered by the Department of Military Affairs, Division of Emergency
9 Management, in accordance with this section;
 - 10 (b) A separate fund to provide financial assistance for those impacted by the
11 December 2021 storms and tornadoes that occurred in the west Kentucky
12 region; and
 - 13 (c) Used to provide financial support to the west Kentucky region to recover from
14 the devastation caused by the storms and tornadoes.
- 15 (2) The Department of Military Affairs or the Division of Emergency Management
16 shall not publicly advertise or solicit contributions from the general public that
17 could potentially impact fundraising efforts of not-for-profit disaster relief agencies.
- 18 (3) The fund may receive state appropriations, gifts, grants, federal funds, and any other
19 funds both public and private.
- 20 (4) Moneys in the fund as of June 30, 2022, and June 30, 2023, shall not lapse and shall
21 carry forward until June 30, 2024.
- 22 (5) Any interest earnings of the fund shall become a part of the fund and shall not lapse.
- 23 (6) (a) Eligibility to receive financial support from the fund shall be limited to a:
- 24 1. City, county, urban-county government, consolidated local government,
25 unified local government, or charter county government;
 - 26 2. Nonprofit or public utility service provider;
 - 27 3. State agency; or

- 1 4. School district;
- 2 that has disaster-related needs as a result of the devastation experienced from
- 3 the December 2021 storms and tornadoes.
- 4 (b) An eligible recipient may receive moneys for expenses to provide disaster and
- 5 recovery relief if the recipient:
- 6 1. Is located in the areas named in a Presidential Declaration of Emergency
- 7 relating to the storms and tornadoes that occurred in December 2021;
- 8 and
- 9 2. Has disaster-related needs in response to the storms and tornadoes that
- 10 occurred in December 2021.
- 11 (c) Eligible expenses shall be those used to support disaster and recovery relief,
- 12 including but not limited to:
- 13 1. Replacement or renovation of public buildings damaged by the storms
- 14 and tornadoes, but only to the extent of damage directly caused by the
- 15 storms;
- 16 2. Reimbursement for services, personnel, and equipment provided during
- 17 the response and recovery to communities impacted by the storms and
- 18 tornadoes;
- 19 3. Funding to cities, counties, and publicly owned utilities for the costs of
- 20 replacement or repair of publicly owned buildings and their contents due
- 21 to the damage from the storms and tornadoes, but only to the extent of
- 22 damage directly caused by the storms;
- 23 4. Assistance to cities and counties for expenses related to planning efforts
- 24 for rebuilding and recovering from the damage, but only to the extent of
- 25 damage directly caused by the storms; and
- 26 5. ~~Assistance to utilities serving Graves, Caldwell, Muhlenberg, and~~
- 27 ~~Hopkins Counties for resilient response and future risk reduction~~

1 ~~through the burying of utility wires that will enhance power reliability,~~
2 ~~reduce power loss, and lessen risk to human life; and~~

3 6.1 Assistance to support disaster recovery and relief needs of local school
4 districts, including but not limited to:

5 a. Financial support for school districts that will experience a default
6 in bond payments; and

7 b. Financial support to assist school districts with building needs.

8 (7) Each recipient of moneys from the fund, including any agency of Kentucky state
9 government, shall:

10 (a) Timely apply for federal emergency disaster grant assistance, other financial
11 disaster assistance, and insurance proceeds; and

12 (b) Adhere to the terms of the fund regarding reimbursement to the
13 Commonwealth if funds from other sources are subsequently received after
14 the receipt of financial assistance from the state.

15 (8) (a) Moneys in the fund may be used for the advancement of moneys to cities and
16 counties experiencing strained fiscal liquidity while awaiting reimbursement
17 from federal emergency management assistance or insurance claims.

18 (b) Reimbursement of the advancement under paragraph (a) of this subsection
19 shall:

20 1. Be determined by the Department for Local Government's state-local
21 finance officer; and

22 2. Include a quarterly accounting of the advancement released and the
23 outstanding balance through June 30, 2024.

24 (9) (a) If a recipient of moneys from the fund subsequently receives moneys from any
25 other source, the recipient shall reimburse the Commonwealth for the amount
26 of the moneys received from the fund.

27 (b) All moneys reimbursed to the Commonwealth under paragraph (a) of this

1 subsection shall be deposited in the general fund within thirty (30) days.

2 (10) The Division of Emergency Management shall promulgate administrative
3 regulations to carry out this section.

4 (11) The following reports shall be submitted to the Interim Joint Committee on
5 Appropriations and Revenue by the tenth day of each month, beginning
6 April~~February~~ 10, 2022, and ending July 10, 2024:

7 (a) A report from the Office of State Budget Director that includes:

- 8 1. The name of each recipient of moneys from the fund;
- 9 2. The dollar amount of moneys received;~~and~~
- 10 3. A description of how the moneys were used; and

11 **4. A list of all requests:**

12 **a. Submitted, including the amount requested;**

13 **b. Denied, including a description of the reason for the denial; and**

14 **c. Where the amount awarded was increased, including a**
15 **description of the reason for the increase; and**

16 (b) A report from the Department of Education that includes:

- 17 1. The name of each school district receiving moneys from the fund;
- 18 2. The dollar amount of moneys received; ~~and~~
- 19 3. A description of how the moneys were used; and

20 **4. A list of all requests:**

21 **a. Submitted, including the amount requested;**

22 **b. Denied, including a description of the reason for the denial; and**

23 **c. Where the amount awarded was increased, including a**
24 **description of the reason for the increase.**

25 ➔Section 2. There is hereby appropriated Restricted Fund moneys from the West
26 Kentucky State Aid Funding for Emergencies (SAFE) Fund in the amount of \$75,000,000
27 in fiscal year 2021-2022 to the Department of Military Affairs budget unit, to be used by

1 the Division of Emergency Management in providing financial assistance for those
2 impacted by the December 2021 storms and tornadoes that occurred in the west Kentucky
3 region, according to the criteria established in Section 4 of House Bill 5/GA, as enacted in
4 the 2022 Regular Session of the General Assembly, 2022 Ky. Acts ch. 2, sec. 4, as
5 amended in Section 1 of this Act. Recipients shall be those that:

- 6 (1) Are eligible under the SAFE Fund;
- 7 (2) Have applied or requested state assistance from the SAFE Fund; and
- 8 (3) Have submitted a request from a local official that includes a description and
9 cost estimate of immediate needs.

10 ➔Section 3. Whereas support and relief efforts are imperative for the
11 Commonwealth to recover from the considerable damage caused by the deadly storms
12 and tornadoes, an emergency is declared to exist, and this Act takes effect upon its
13 passage and approval by the Governor or upon its otherwise becoming a law.