By: Representatives Fredericks, Clark

To: Sel Cmte on Hurricane Recovery

HOUSE BILL NO. 1318

AN ACT TO BE KNOWN AS THE HURRICANE KATRINA RESPONSE AND 1 2 RECOVERY OVERSIGHT ACT; TO MAKE CERTAIN FINDINGS ABOUT THE DAMAGE 3 CAUSED BY HURRICANE KATRINA AND ITS EFFECTS ON THE STATE OF 4 MISSISSIPPI; TO MAKE CERTAIN FINDINGS ABOUT THE ADEQUACY OF EXISTING STATE AND FEDERAL PROGRAMS TO MEET THE NEEDS OF THE STATE 5 б AFTER HURRICANE KATRINA; TO CREATE THE HURRICANE KATRINA DISASTER 7 RESPONSE AND RECOVERY COMMISSION AND PROVIDE FOR ITS MEMBERSHIP; 8 TO PROVIDE FOR THE DUTIES OF THE COMMISSION; TO REQUIRE THE 9 COMMISSION TO MAKE REPORTS TO THE LEGISLATURE AND THE GOVERNOR ON ITS FINDINGS AND RECOMMENDATIONS; TO REQUIRE THE GOVERNOR TO MAKE 10 11 REGULAR REPORTS TO THE JOINT LEGISLATIVE BUDGET COMMITTEE ON THE IMPLEMENTATION OF THIS ACT; TO AUTHORIZE THE GOVERNOR TO ESTABLISH 12 NEW PROGRAMS, EXPAND EXISTING PROGRAMS AND MODIFY EXISTING PROGRAMS TO PROVIDE NECESSARY ASSISTANCE AND RELIEF FROM THE 13 14 EFFECTS OF HURRICANE KATRINA, AND EXPEND CERTAIN FUNDS TO 15 16 IMPLEMENT THESE PROGRAMS; TO AUTHORIZE THE GOVERNOR TO TRANSFER 17 FUNDS TO LOCAL GOVERNMENTS AND FEDERAL AGENCIES THAT ADMINISTER 18 PROGRAMS OR PROVIDE SERVICES ON BEHALF OF THE STATE; TO AUTHORIZE THE GOVERNOR TO ESTABLISH TIME-LIMITED PERSONNEL POSITIONS TO 19 20 IMPLEMENT THIS ACT; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 21 SECTION 1. This act shall be known as "The Hurricane Katrina 22 Response and Recovery Oversight Act of 2006." 23

24 SECTION 2. (1) The Legislature finds that Hurricane Katrina was the worst natural disaster in the state's history. Extensive 25 and prolonged damage caused by the storm has been devastating to 26 27 infrastructure and to the civil, social, economic and environmental well-being of Mississippi. The entire economic base 28 29 of Mississippi was undermined, including the ability of individuals to earn an income to support themselves and their 30 31 families. A loss of this magnitude affects all of Mississippians. Extraordinary assistance to the affected areas is required if this 32 region and, indeed, the entire state is to recover from the short-33 34 and long-term effects of the devastation. (2) The Legislature further finds that the devastation 35 caused by Hurricane Katrina was of unprecedented proportions. 36 *HR07/R1526* H. B. No. 1318 G1/2

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37 Devastation of this magnitude was not planned for and could not 38 have been planned for. No policies, no decision making, and no 39 planning could adequately mitigate damage from or prepare an 40 adequate response to such an extraordinary event. However, 41 learning from this tragic event, the Legislature finds that 42 long-term planning for future natural disasters is appropriate.

The Legislature further finds that the devastation 43 (3) caused by Hurricane Katrina in Mississippi continues to affect all 44 aspects of the economy, the environment, public health and safety, 45 infrastructure, public and private institutions, and the general 46 47 welfare of the region and, indirectly, of the entire state. Immediate short-term responses and long-term responses are 48 49 necessary to preserve a way of life in Mississippi, to preserve the economic condition of the entire state, and to preserve the 50 reputation Mississippi has, nationally and internationally, as a 51 great place to live and a great place to do business. 52

53 SECTION 3. (1) The Legislature finds that state and federal 54 disaster relief initiatives are not intended to make individuals whole after a loss; rather, they are intended to assist the 55 56 affected area in recovering from the devastation caused by 57 Hurricane Katrina. A massive recovery program that includes assistance to individuals is essential to the recovery of the 58 affected area due to the severity of the damage, the magnitude of 59 the geographical area it covered, and the duration of the 60 emergency conditions in the area. The cumulative effect of 61 devastating losses of lives, homes, schools, life savings, 62 63 personal effects, jobs, businesses, and other social and civic 64 institutions, and of concerns, both real and imagined, about public health issues and the environment, has substantially 65 impaired the region's ability to recover. 66

67 Traditional support systems for victims of losses such as
68 families, friends, religious organizations, relief organizations,
69 other private entities, and existing public programs are simply
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H. B. No. 1318 06/HR07/R1526 PAGE 2 (RF\HS) inadequate given the magnitude of the problem. Their property was also damaged by the disaster and their resources were further depleted by the overwhelming and unrelenting need for emergency assistance after the storm.

74 Without significant additional state and federal assistance 75 to the area devastated by Hurricane Katrina, further deterioration 76 of the economy, the environment, public health and safety, and 77 quality of life in the region is likely to occur. Without 78 additional state and federal assistance:

(a) Tens of thousands of people in uninsured, damaged homes will either not qualify for federal housing assistance or not have the resources to take advantage of federal housing assistance.

(b) Local governments already overwhelmed with storm-related expenses may not have the resources to repair damaged infrastructure and provide the new infrastructure necessary for families relocating out of the flood zone.

87 (c) Thousands of jobs will be permanently lost because
88 an estimated one thousand five hundred (1,500) small businesses
89 and twenty-five (25) mid-sized businesses cannot qualify for Small
90 Business Administration loans.

91 (d) The tourism industry will continue to suffer 92 throughout the state due to negative publicity about the storm. 93 (2) It is the intent of the Legislature that the benefits of 94 the projects and programs authorized by this act are for the common good and collective recovery of the people of this state 95 96 following a devastating natural disaster directly affecting a large portion of the state and indirectly affecting the entire 97 state. The entire state faces a major loss if Mississippi is not 98 offered the assistance provided by this act. The purpose of this 99 100 act is to provide an ultimate net public benefit to the state 101 through a successful Hurricane Katrina recovery initiative in

102 Mississippi.

H. B. No. 1318 *HR07/R1526* 06/HR07/R1526 PAGE 3 (RF\HS) 103 <u>SECTION 4.</u> (1) There is established the Hurricane Katrina 104 Disaster Response and Recovery Commission ("commission").

105 (2) The commission shall consist of twenty-one (21) members 106 as follows:

107 (a) Seven (7) members appointed by the Governor.
108 (b) Seven (7) members appointed by the Speaker of the
109 House of Representatives.

110 (c) Seven (7) members appointed by the Lieutenant 111 Governor.

Appointments to the commission shall be made not later than February 15, 2006. A vacancy in the commission or as chair of the commission resulting from the resignation of a member or otherwise shall be filled in the same manner in which the original appointment was made.

117 (3) The commission shall provide oversight of review and 118 study:

(a) The adequacy of the state's short-term and long-term response to natural disasters under current law and necessary modifications in the state's response to future natural disasters. In the course of this study, the commission may consider:

124 (i) The circumstances under which an extraordinary
125 state response to extraordinarily severe and widespread
126 devastation is appropriate and the components of such an
127 extraordinary state response.

128 (ii) The need for dedicated sources of funding for129 disaster recovery.

(iii) The need to modify state policies and amend
state laws to mitigate damages in future disasters and to remove
administrative obstacles to the recovery effort.

(b) Short- and long-term recovery efforts for
Mississippi in response to Hurricane Katrina and strategies for
supplementing, improving and enhancing those recovery efforts.
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06/HR07/R1526 PAGE 4 (RF\HS) 136 (c) All funds appropriated by Congress for Hurricane 137 Katrina recovery and consider actions needed to address any 138 remaining unmet needs, especially in the area of rental housing 139 production.

140 (4) The commission may consult with appropriate state 141 departments, agencies and board representatives on issues related 142 to its duties.

(5) Members of the commission and its subcommittees who are 143 not legislators, state officials or state employees shall be 144 145 compensated at the per diem rate authorized by Section 25-3-69 and 146 shall be reimbursed in accordance with Section 25-3-41 for mileage and actual expenses incurred in the performance of their duties. 147 148 Legislative members of the commission and its subcommittees will be paid from the contingent expense funds of their respective 149 150 houses in the same manner as provided for committee meetings when 151 the Legislature is not in session. However, legislative members 152 will not be paid per diem or expenses for attending meetings of 153 the commission while the Legislature is in session. No commission or subcommittee member may incur per diem, travel or other 154 155 expenses unless previously authorized by vote, at a meeting of the commission, which action must be recorded in the official minutes 156 157 of the meeting. Nonlegislative members may be paid from any funds 158 made available to the commission for that purpose.

The Lieutenant Governor and the Speaker of the House of 159 160 Representatives each shall designate one (1) member to serve as cochair of the commission. The cochairs shall call the initial 161 162 meeting of the commission on or before March 1, 2006. The 163 commission shall have later meetings upon such notice and in such manner as its members determine. A majority of the members of the 164 165 commission shall constitute a quorum.

166 The commission may contract for consultants or hire employees 167 as necessary, within the funds available to the commission.

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168 The commission may appoint subcommittees of its members and 169 other knowledgeable persons or experts to assist it.

170 (6) The commission shall establish a process of citizen 171 participation that assures the citizens of Mississippi of the 172 opportunity to be informed of and contribute to the work of the 173 commission. It shall hold meetings throughout the state.

174 (7) The commission may call upon any department, agency,
175 institution or officer of the state or any political subdivision
176 thereof for facilities, data or other assistance.

177 (8) The commission may apply for, receive, and accept grants 178 of nonstate funds or other contributions as appropriate to assist 179 in the performance of its duties.

(9) The commission shall submit interim reports to the Legislature and the Governor, and shall submit a final report of its findings and recommendations on March 1, 2010, to the Legislature, the Governor and the citizens of the state. The commission shall terminate upon filing its final report.

185 <u>SECTION 5.</u> The Governor shall report to the Joint 186 Legislative Budget Committee on the implementation of this act on 187 a monthly basis during the 2006 fiscal year and on a quarterly 188 basis thereafter. The Governor shall report more frequently at 189 the request of the commission.

190 The Governor shall report by May 1, 2006, the estimated 191 number of citizens who have experienced a reduction in or 192 elimination of health or long-term care services as a result of 193 funds being reallocated for other purposes. The Governor shall 194 submit the report to the Joint Legislative Budget Committee and 195 the chairs of the Senate Public Health and Welfare Committee, the 196 House Public Health and Human Services Committees, the Senate 197 Appropriations Committee, the House Appropriations Committee and 198 the House Medicaid Committee.

199SECTION 6.The Governor may establish new programs, expand200existing programs and modify existing programs to provide

H. B. No. 1318 *HR07/R1526* 06/HR07/R1526 PAGE 6 (RF\HS) 201 necessary and appropriate assistance and relief from the effects 202 of Hurricane Katrina; and expend funds from Hurricane Katrina 203 Recovery Funds to implement these programs. These programs and 204 expenditures shall be used only for:

(a) Crisis housing assistance, which may include, but
shall not be limited to, direct housing assistance to homeowners
and renters, grants to local governments for water, sewer and
other infrastructure needs for housing in new areas,
predevelopment activities, housing counselors and housing recovery
efforts.

(b) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy, which may include, but shall not be limited to, small business disaster assistance to small and mid-sized businesses, grants to farmers, and grants and loans to commercial fishers.

(c) Public health, public safety, social services, and
environmental recovery issues, which may include, but shall not be
limited to, drinking water protection, water quality monitoring,
solid waste and hazardous waste cleanup, assessment and
remediation of high-risk underground storage tank sites, dam
safety, and emergency and maintenance dredging.

(d) Support to local governments, by grants to local governments to offset revenue losses resulting from storm damage from natural disasters covered by federal disaster declarations as to any storm between August 28, 2005, and the effective date of this act. The amount of the grants shall be based on loss of taxable property in the jurisdiction.

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SECTION 7. The Governor may:

(a) Provide grants to local governments in accordancewith Section 6(d) of this act.

(b) Transfer funds to local governments pursuant to cooperative agreements under which they administer programs or provide services on behalf of the state.

H. B. No. 1318 *HR07/R1526* 06/HR07/R1526 PAGE 7 (RF\HS) (c) Transfer funds to federal agencies pursuant to
 cooperative agreements under which they administer agriculture
 programs or provide services on behalf of the state.

237 <u>SECTION 8.</u> The Governor may establish part-time and 238 full-time personnel positions to implement this act. All such 239 positions shall be time-limited and shall be exempt from the State 240 Personnel Board laws and regulations.

241 <u>SECTION 9.</u> The Governor shall establish advisory councils to 242 advise relevant state agencies on Hurricane Katrina recovery 243 efforts and to ensure input from representatives of affected 244 communities and groups.

245 **SECTION 10.** This act shall take effect and be in force from 246 and after its passage.