

2019 Infrastructure Disaster Recovery Program Overview

- In 2019 South Dakota experienced unprecedented storms, flooding and damage to homes, businesses and our public infrastructure, particularly roads.
- Recovery efforts are ongoing but have been delayed by continuous precipitation and flooding since March 2019.
- The state is a willing partner with local government in this recovery process and will, at the request of local officials and legislators, provide financial support to make our infrastructure whole again.

The Current Disaster Recovery Process (Infrastructure)

- FEMA Public Assistance (PA) funds reimburse eligible applicants for infrastructure repair costs.
- Following a Presidential disaster declaration, cities, counties, townships, and tribes that have sustained damage submit a Request for Public Assistance to the South Dakota Office of Emergency Management. This document serves as notice to the state and FEMA that the entity intends to request reimbursement for damage and repair costs.
- State and FEMA officials work with each applicant to document infrastructure damage and write project worksheets that lay out repair specifications and corresponding costs.
- Each PA project has the following project cost breakdown:
 - 75% federal share (paid by FEMA PA)
 - + 15% non-federal share (paid by the applicant)
 - + 10% non-federal share (paid by the state)
 - 100% project cost

2019 Infrastructure Disaster Recovery Program

- Cities, counties, townships, and tribes may apply for state general fund advances from the Emergency and Disaster Fund to provide cash flow for infrastructure repairs.
- These governments can receive an advance equal to the 75% federal share plus the applicant's 15% portion of the non-federal share, for a total of 90% of project costs.
- Several projects can be covered in one advance.
- Payment to the state for 75% of the advance must be submitted immediately by the applicant following the FEMA pass-through project reimbursement from the state. The state will provide a billing notice for the repayment of advance funds. Payment to the state for the advanced funds are due upon receipt of the billing notice.
- Advanced state general funds for the applicant's 15% portion of the total project cost must be repaid to the state within seven years.
- Applicants requesting a state general funds advance must:
 - Be an eligible applicant and be a subrecipient of the state in one of the four Presidential disasters declared in 2019 (submit RPA), and have a FEMA-eligible project;
 - Submit an application to the South Dakota Office of Emergency Management;
 - Sign an agreement;
 - Provide financial statements/audits to demonstrate a need for the advance;
 - Provide proof of an ongoing funding source to repay the advanced state general funds;
 - Provide quotes in accordance with state law for eligible "shovel-ready" projects;
 - Submit a mitigation project proposal; and
 - Follow FEMA requirements.
- Interest will be applied eighteen months from the date of the original agreement OR the final FEMA funding date.
- No interest will be applied to FEMA federal funds.
- General funds will not be advanced until 30 days prior to the start of a project.