
**RULES FOR STATE MATCHING FUNDS
UNDER THE FEDERAL PUBLIC ASSISTANCE PROGRAM**

1.1 PURPOSE

The purpose of this rule is to establish the criteria and procedures by which to distribute the state share of funds to match federal disaster relief for damages sustained in natural disasters. The Emergency Relief and Assistance Fund is established at 20 V.S.A. § 45, along with the requirement for the Secretary of Administration to develop these rules.

The intent of the fund and this Rule is to render state assistance more predictable, consistent and available, as well as to encourage hazard mitigation strategies by municipalities and individuals to reduce potential future damages from natural disasters.

1.2 DEFINITIONS

1.2.1 ACCD: The Vermont Agency of Commerce and Community Development.

1.2.2 Administration Plan: Vermont State Administration Plan for Public Assistance produced by the Department of Public Safety, Emergency Management Division, as amended from time to time.

1.2.3 ERAF: Emergency Relief and Assistance Fund established at 20 V.S.A. § 45.

1.2.4 FEMA: Federal Emergency Management Agency.

1.2.5 FEMA Regulations: Title 44 of the U.S. Code of Federal Regulations (44 CFR).

1.2.6 FEMA State Agreement: Agreement governing the administration of a federally declared disaster, signed by the FEMA Regional Director and by the Governor.

1.2.7 Grantee: the State of Vermont, as recipient of funds through Federal Public Assistance Program administered by FEMA.

1.2.8 Hazard Mitigation: Sustained action that reduces or eliminates long-term risk to people and property from natural hazards and their effects.

1.2.9 Subgrantee: A town, city, village, school district, municipal utility, or volunteer fire department meeting the requirements set out at 44 CFR 206.201(a), (k), and (l).

1.2.10 Stafford Act: The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. chapter 68).

1.3 ELIGIBILITY

Funds under these rules shall be provided to subgrantees for repair or replacement of damaged public infrastructure to match federal disaster relief provided following a Presidential declaration of a major disaster under Section 406 of the Stafford Act. The funds may be provided to assist subgrantees in matching public assistance provided by FEMA following the rules established pursuant to the Stafford Act at 44 CFR 206.

1.4 SOURCE OF FUNDS

The source of funds for the Emergency Relief and Assistance Fund (ERAF) is established at 20 V.S.A. § 45(c), as follows:

In any fiscal year, the emergency board may transfer to the emergency relief and assistance fund up to two percent of the amount of the General Fund Budget Stabilization Reserve established by 32 V.S.A. § 308, which may be expended to provide for emergency relief and assistance under this section.

In any year, the funding from the ERAF shall be paid to subgrantees in order of receipt of approved project worksheets from FEMA, until the ERAF is depleted for that year. Any subgrant that is not funded due to depletion in the ERAF shall be paid in order of receipt of the approved FEMA project worksheets when funding is next available. If, in any given year, the demand for funding to match disaster relief is less than the amount made available from the General Fund Budget Stabilization Reserve the excess will be returned to the reserve, and will not be carried forward to subsequent years.

In past years state assistance to repair local roads and bridges has come from funds administered by the Vermont Agency of Transportation. This rule will consolidate the source and allocation procedures of funds for all state match for federal disaster relief as the ERAF.

1.5 ALLOCATION OF FUNDS FOR FEDERALLY DECLARED DISASTERS

1.5.1 Municipalities: Municipalities will be responsible for meeting one-half (or 12.5% of the project costs) of the non-federal (25%) share of the total damage sustained in an event. State funds from the ERAF will be made available to cover the remaining one-half of the non-federal share. The subgrantee will apply to FEMA, following the process set out in the Administrative Plan. Once FEMA has approved the projects for funding, ACCD will calculate the assistance for which the projects may be eligible and process payment for such eligible projects.

1.5.1.1 As an incentive, if the municipality has qualified for increased match funding by adopting a minimum of hazard mitigation measures described

in Appendix A, the state will cover three-fifths of the 25% match required (or 15% of the project costs), leaving the municipality responsible for 10%.

1.5.2 Other Public Subgrantees: Other municipal subgrantees (that are not the legislative bodies of cities, towns or villages), such as schools, fire districts or municipal utilities, will be responsible for meeting all of the non-federal (25%) share up to \$10,000. State funds from the ERAF will be made available to cover the remainder of the non-federal share. The subgrantee will apply to FEMA, following the process set out in the Administrative Plan. Once the projects are approved for funding by FEMA, ACCD will calculate the assistance for which the projects may be eligible and process payment for such eligible projects

1.6 USE OF FUNDS FOR PUBLIC PROJECTS

1.6.1 Funds may be used for the repair and/or replacement of public property damaged in the event of a declared disaster.

1.6.2 Funds shall be used to match the FEMA share in conjunction with local funds for Large Projects, Small Projects and Improved Projects; as defined at 44 CFR § 206.203.

1.6.3 Funds under these rules shall not be available for Alternative Projects as defined at 44 CFR 206.203(d)(2).

APPENDIX A

To qualify for increased state match funding, a municipality must provide verification that they have adopted the following minimum standards:

1. Codes and standards for transportation construction and improvements. and;
2. Flood hazard/floodplain development regulations such as to secure eligibility in the National Flood Insurance Program (NFIP).

In addition to the above minimum standards, a municipality must have in place or adopt any three of the following hazard mitigation measures:

- a. Maintenance of an active rate classification (class #1- #9) under the Federal Community Rating System (CRS) ;
- b. Adoption of an Emergency Rapid Response Plan approved by the legislative body addressing disaster preparedness and response;
- c. Adoption of a capital budget and program for land acquisition and/or purchase of development rights of flood sensitive lands;
- d. Adoption of an infrastructure capital budget and program which includes an assessment considering flood susceptibility and flood hazard in its priority for investment;
- e. Adoption of a program for relocation of structures located on flood sensitive lands.
- f. Adoption and implementation of a driveway access (curb cut) construction ordinance;
- g. Adoption of construction site erosion and sedimentation control practices through a site plan review, inspection and enforcement program (e.g. as a part of the zoning by-law);
- h. Establishment of stream corridor and riparian zone protection overlay districts consistent with VT ANR Buffer Policy, as part of the zoning by-law;
- i. Adoption of regulations for the construction of in-stream private ponds and dams requiring design, construction inspection and annual monitoring inspections by a professional engineer. (e.g. as part of the zoning by-law);
- j. Annually budgeted upgrades of runoff conveyance systems (e.g. replacement of undersized or otherwise non-functioning culverts, ditch lining, or armoring for erosion control, headwall maintenance, roadway embankment or cut slope stabilization);
- k. Adoption of watershed protection and wetland preservation plan components (e.g. as a part of the municipal plan and/or zoning by-law);
- l. Annual education of local residents on dangers of flooding and opportunities to reduce flood damages and/or education about disaster preparedness (e.g. annual public meeting or workshop or individual mailings).