Proposed law creates the Hazard Mitigation Revolving Loan (HMRL) Fund within the state treasury to be administered by the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP). Proposed law provides the purpose of the HMRL Fund is to provide assistance with projects that will reduce disaster risks for homeowners, businesses, nonprofit organizations, and communities to decrease the loss of life and property, the cost of insurance, and federal disaster payments, or as otherwise required by federal grants or grant agreements. Proposed law provides that the HMRL fund shall consist of monies received from federal grants for the capitalization of the fund, state funds required by federal law or grant agreements, repayment of loans, and interest earned on amounts in the fund. At the close of each fiscal year, unused and unencumbered monies shall remain in the fund. Proposed law provides that monies in the fund shall be appropriated, administered, and used to provide financial assistance to eligible recipients for the uses authorized by proposed law or as may be permitted by federal law and grant agreements. Proposed law authorizes the uses of the HMRL fund, projects and activities eligible for assistance. Proposed law provides definitions. Proposed law directs GOHSEP to establish application procedures and eligibility criteria for loans. Proposed law provides for provisions pertaining to outstanding loan principals, disadvantaged individuals and related matters.

Proposed law will have no expenditure impact to GOHSEP to administer the HMRL Fund.

Proposed law creates within the state treasury a marginal workload increase for the Department of Treasury, which can generally be absorbed with existing resources. However, to the extent other legislative instruments create additional workload, there may be material additional costs associated with the aggregate effort to administer these funds. The Treasury performs fund accounting, financial reporting, banking and custodial functions for 436 special funds. When unable to absorb additional workload with existing resources, the Treasury may need to add one T.O. position at a total personnel services cost of approximately $73,000, plus approximately $2,450 for a one-time purchase of office equipment. These expenditures are assumed to be SGF in this fiscal note.

Proposed law provides that political subdivision may use loan proceeds for the purpose of offering loan funds to private property owners to use for hazard mitigation projects for buildings. Each private property owner applying for a loan pursuant to the provisions of the proposed law shall demonstrate on the loan application both a need for the loan and the ability to repay the loan, if required.

Proposed law creates the Hazard Mitigation Revolving Loan (HMRL) Fund. Monies in the fund shall consist of monies received from federal grants for the capitalization of the fund, state funds required by federal law or grant agreements, repayment of loans, and interest earned on amounts in the fund. At the close of each fiscal year, unused and unencumbered monies shall remain in the fund. Proposed law provides that monies in the fund shall be appropriated, administered, and used to provide financial assistance to eligible recipients for the uses authorized by proposed law or as may be permitted by federal law and grant agreements.