

From: Schimsa, Rebecca

To: Pitts, Ted <TedPitts@gov.sc.gov>

Veldran, Katherine <KatherineVeldran@gov.sc.gov>

Date: 10/17/2013 2:54:19 PM

Subject: FW: Disaster Trust Fund

Attachments: Disaster Assistance Trust Fund (17 Oct 13).doc

Ted and Katherine – Attached is draft statutory language for the creation of a **Disaster Trust Fund**, which Kim Stenson mentioned to you, Ted, during his introductory meeting two weeks ago. Yesterday, during the public Georgetown Fire meeting, Senators McGill and Cleary requested that the Governor support this initiative in her Executive Budget and offered their backing to pass this bill through the legislature.

Legally, I have some concerns with the draft language – specifically, how the funds are to be used and who the named trustees are. I assume that we can expect further questions about this, especially since the Governor will be making a return-visit to Georgetown on the 29th. I suggest we come up with (1) a short-term response for the Governor; and (2) a long-term policy position on the creation of the fund.

I am happy to gather more research. Please let me know how you would like to move forward.

From: Stenson, Kim [mailto:Kstenson@emd.sc.gov]

Sent: Thursday, October 17, 2013 8:57 AM

To: Hodge, Sam

Cc: Batson, Steven; Ryan, Elizabeth; Russell, Mike; Denny, Morgan; Schimsa, Rebecca; Matt Nichols

Subject: Disaster Trust Fund

Sam,

I am attaching the draft legislation regarding the disaster trust fund from several years ago. Couple of comments:

- Current draft is too probably too narrow. It does not specify who might be receive the funds (state agencies, counties?) nor does it consider possible use of funds to assist individuals short of a federal declaration
- This draft does not really address the appropriation process other than the funds might be appropriated. Discussions years ago centered around a \$1 surcharge for insurance policies. I was not directly involved then but as I recall the surcharge was seen as tax and generally not supported by the legislature. It would seem to me that a potential solution might be to shift some surplus funds at the end of each fiscal year as it would involve neither a surcharge (tax) or a new appropriation.
- Think SCEMD probably has the infrastructure to work the public assistance side of the trust fund but have some concerns about the individual assistance support if we go that direction. A first step might be to work the public assistance side.
- Trigger for implementing should be a Governor's State of Emergency.
- While I think this initiative is extremely important, I am very concerned about trying to develop a well thought out and coordinated proposal in two weeks. Our major efforts so far have been to garner support of a general concept and not a specific plan.

More to follow.

Regards,

Kim

Kim Stenson

Director

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