

Office of the Governor

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NEWS RELEASE

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GOVERNOR SIGNS LEGISLATION APPROPRIATING \$80 MILLION FOR DISASTER RELIEF FOR VICTIMS OF TROPICAL STORM FLOYD AND SUMMER DROUGHT

Gov. Christie Whitman today signed the Emergency Disaster Relief Act of 1999, which appropriates \$80 million in state funds for disaster relief for victims of Tropical Storm Floyd and the drought of 1999. The funds are appropriated from the state's surplus revenue fund.

The Governor said the state today is sending the counties declared disaster areas guidelines to be used to apply for \$20 million of the funds. The funds will be distributed as block grants to the counties.

"Over the past several weeks, it has become increasingly clear that Tropical Storm Floyd was the worst natural disaster to strike New Jersey. The damage and devastation are still being tallied, but it is clear that, when all the assessments are made, total damage will approach \$1 billion," the Governor said.

"The people of New Jersey have responded magnificently to this disaster. The bravery and determination of the victims are inspiring. The dedication and compassion of our public safety officers - both paid and volunteer - have been outstanding. Disaster assistance organizations have provided invaluable help. And both the Federal Emergency Management Agency and Small Business Administration have responded with professionalism and caring," she said.

"We've seen an enormous outpouring of help. But it's not going to be enough. That's why we're here today - to offer additional assistance from the state to those most severely affected by this disaster. The legislation provides \$80 million to assist both victims of the storm and farmers hurt by this year's drought. It will assist those of our fellow citizens who need our help the most to rebuild their lives," Gov. Whitman said.

Gov. Whitman said \$20 million of the funds will be available in the form of grants to those individuals in nine counties declared disaster areas by President Clinton whose homes were either destroyed or suffered major damage. The grants will be available in amounts up to \$15,000, depending on the severity of the damage suffered and remaining unmet needs.

To be eligible, the Governor said, a person must register for assistance through the Federal Emergency Management Agency (FEMA) and must apply for all aid provided by the federal government. Persons can be eligible for a grant only after they have applied for and accepted all federal assistance, and have

collected whatever they can from any insurance coverage they may have. FEMA's registration line can be reached at 800-462-9029.

These state grants will help cover any additional unmet needs an individual can demonstrate, after first pursuing all other assistance. Those who have taken a low-interest or other loan from the Small Business Administration (SBA) will also be eligible for a grant. The state grant will help reduce the balance of the SBA loan. The state will be working closely with FEMA and the SBA to ensure that anyone who is in the FEMA system is also referred to the state.

The grant program for individuals will be administered by the Department of Human Services, which is currently operating the Individual and Family Grant program for flood victims.

Gov. Whitman said \$20 million in block grants directed to the nine declared counties will be distributed by the Department of Community Affairs (DCA) in proportion to the unmet needs in the counties. Those with the greatest need will receive a larger proportion of the grant money.

The counties will be able to use these funds to meet unmet county and municipal government needs, as well as to assist small businesses in their recovery. Counties will have until December 1 to submit to the DCA plans for the use of their grants. In addition to sending guidelines to the counties today, the DCA will hold a workshop for counties next Monday. The DCA will review and approve county plans and disburse the funds.

All those who will be seeking funds from the county block grants should also be certain to register with FEMA and pursue all available assistance, including SBA loans. Small businesses will also be able to use grants to reduce loans they take from the SBA. No one who takes an SBA loan will be penalized as part of the grant program.

The \$20 million for the block grant program is in addition to the \$5 million the bill directs to DCA to assist individual municipalities.

According to the Governor, \$10 million from the legislation will be reserved to cover flood mitigation and other uses. Mitigation can run from raising furnaces and hot water heaters up from basement floors to elevating an entire home. The Governor said there also may be some needs that have not yet been brought to the attention of the state.

The legislation also appropriates \$20 million to the Department of Agriculture to provide grants, zero and low-interest loans and other financial assistance to farmers who have experienced agricultural damage or loss due to the 1999 drought.

Under the legislation, \$5 million is also appropriated to the Department of the Treasury for reimbursing state agencies for costs incurred in providing assistance pursuant to the bills.

The legislation, S-2177, was sponsored by Senators Donald D. DiFrancesco (R-Middlesex/Morris/Somerset/Union) and John A. Lynch (D-Middlesex/Somerset/Union) and Assembly Members Charlotte Vandervalk (R-

Bergen), Christopher "Kip" Bateman (R-Morris/Somerset), Alan M. Augustine (R-Middlesex/Morris/Somerset/Union), Richard H. Bagger (R-Middlesex/Morris/Somerset/Union), Peter J. Biondi (R-Morris/Somerset), Francis J. Blee (R-Atlantic), Francis L. Bodine (R-Atlantic/Burlington/Camden) and Joseph M. Charles, Jr. (D-Hudson).

Also, Assembly Members Larry Chatzidakis (R-Atlantic/Burlington/Camden), Melvin Cottrell (R-Burlington/Monmouth/Ocean), Marion Crecco (R-Essex/Passaic), Paul DiGaetano (R-Bergen/Essex/Passaic), Clare M. Farragher (R-Monmouth), John C. Gibson (R-Cape May /Atlantic/Cumberland), Jerry Green (D-Middlesex/Somerset/Union), Guy R. Gregg (R-Sussex/Hunterdon/Morris), Rose Marie Heck (R-Bergen), James W. Holzapfel (R-Monmouth/Ocean) and John V. Kelly (R-Bergen/Essex/Passaic).

It was also sponsored by Assembly Members Leonard Lance (R-Warren/Hunterdon /Mercer), Joseph R. Malone, III, (R-Burlington/Monmouth/Ocean), Carol J. Murphy (R-Essex/Morris/Passaic), Connie Myers (R-Warren/Hunterdon/Mercer), Kevin J. O'Toole (R-Essex/Union), Nellie Pou (D-Passaic), Louis A. Romano (D-Hudson), John E. Rooney (R-Bergen), Tom Smith (R-Monmouth), Guy F. Talarico (R-Bergen), Bonnie Watson Coleman (D-Mercer), Joel M. Weingarten (R-Essex/Union), David W. Wolfe (R-Monmouth/Ocean) and Gerald H. Zecker (R-Essex/Passaic).

