

Maryland Department of Emergency Management  
Fiscal Year 2024 Capital Budget  
Response to the Department of Legislative Services Analysis

Budget and Tax Committee  
Capital Budget Subcommittee  
Senator Craig Zucker  
Tuesday, March 14, 2023

Appropriations Committee  
Capital Budget Subcommittee  
Delegate Mark Chang  
Wednesday, March 15, 2023

### Introduction

The Maryland Department of Emergency Management (MDEM) appreciates this opportunity to update the Committee on the activities of the Department and to respond to the recommendations and requested updates contained in the Capital Budget analysis prepared by the Department of Legislative Services (DLS).

### Department Response to DLS Analysis

#### Key Observations

1. The Resilient Maryland Revolving Loan Fund

*The Department of Legislative Services (DLS) recommends committee narrative requesting a report on applications for RMRLF loans (DLS Analysis, p. 2).*

*Budget committee members have expressed interest in being informed of the distribution of project and grant funding for the purposes of making local jurisdictions aware of funding opportunities and also identifying any patterns of need that can be addressed by policy change (DLS Analysis, p. 5).*

The Resilient Maryland Revolving Loan Fund was established to take advantage of a federal companion program, the Safeguarding Tomorrow Revolving Loan Fund (STORM), and Maryland is currently one of only a handful of states to have passed the required legislation. While STORM was passed in 2020, it did not have appropriated

funding until the passage of the Infrastructure Investment and Jobs Act (IIJA), signed into law in November of 2021. The Federal Emergency Management Agency (FEMA) is the administrative agency responsible for the STORM Fund, and the agency issued the first Notice of Funding Opportunity (NOFO) on December 20, 2022. Based on FEMA's NOFO, MDEM developed a Notice of Intent and sent it, along with information about the STORM Fund and Maryland's Resilient Maryland Revolving Loan Fund program, to local governments throughout Maryland on several dates between January and February. MDEM staff also met with several local government representatives across the State as well as with representatives from the Maryland Municipal League.

To date, MDEM has received six Notices of Intent from Baltimore City, and Howard and Prince George's Counties requesting just under \$25M in loans. MDEM will submit an application to FEMA for the STORM Fund capitalization grant in mid-April. MDEM will also be working closely with jurisdictions which did not apply during this first round to identify barriers and challenges to application to the Revolving Loan Fund.

### **GO Bond Recommended Actions**

1. *Approve all general obligation bond authorizations and preauthorizations for the Maryland Department of Emergency Management (DLS Analysis, p.2).*
2. *Adopt the following narrative:  
Resilient Maryland Revolving Loan Fund (RMRLF) Applications: The committees are interested in the nature, cost, and distribution of projects for which the provision of funding is being considered through the RMRLF. The fund is structured according to guidance outlined in the federal Safeguarding Tomorrow Through Ongoing Risk Mitigation Act of 2021, which requires each application to include a project proposal that assesses vulnerabilities and how the project will be designed to address them. Given that such application materials will be collected for the purpose of processing federal funding, the committees request that the materials be compiled into a single report for committee members to review (DLS Analysis, p. 2).*

MDEM acknowledges the GO Bond Recommended Actions.