



State Representative

Steve Drazkowski

247 State Office Building, 100 Rev. Dr. MLK Blvd., St. Paul, MN 55155

Phone: (651) 296-2273 E-mail:

rep.steve.drazkowski@house.mn

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At the Capitol with Rep. Steve Drazkowski

ALL FLOOD VICTIMS, NOT SOME, SHOULD RECEIVE ASSISTANCE

By Steve Drazkowski

State Representative, District 28B

Six months have passed, and believe it or not, many southeastern Minnesota homeowners who were impacted by flooding last August still have not received any financial assistance from the state. Why? Because of a bunch of outdated, discriminatory disaster relief policies and the unwillingness by some top-level bureaucrats to respond to needed, common-sense changes.

You'll recall that initially, the Minnesota Housing Finance Authority (MHFA) would only assist flood victims if they made less than \$81,000. After I worked with the Governor's Office to remove that provision, we were still left with a housing assistance program - designed to only provide funding to those who are unable to qualify for SBA loans - that discriminated against over 50 percent of Winona County victims.

Flood victims were then required by the Quick Start program to apply for an SBA loan before they could apply for the Quick Start assistance. Generally, if they qualified for an SBA loan, they were ineligible to receive any financial housing assistance through the state.

In short, those flood victims were discriminated against in their attempts to access the state flood relief that the Legislature wanted them to have.

Until January 14, the Quick Start Program had been paying up to \$23,000 to those flood victims who did not qualify for SBA loans. At that point, over half the disaster relief money was left unspent.

So, the MHFA decided to give the same folks who already received up to \$23,000 from the state up to ANOTHER \$23,000, doubling the Quick Start limit to \$46,000 for those who didn't qualify for SBA loans.

But, for the other 50 percent of flood victims who've received nothing from the state, here's some alleged good news: Sometime in March - after the MHFA reevaluates how much is still left unspent - it will then consider compensating all affected homeowners, INCLUDING those who have already received up to \$46,000, for future considerations. This generosity amounts to the program paying your federal flood insurance premiums for an undisclosed number of years, depending of course on how much is left unspent.

This is absolutely unbelievable and unjust.

Because of this, I have introduced a bill that, in layman's terms, tells the MHFA to take the remaining balance and use it to assist the victims who have not yet received one penny of state flood relief.

Further, if there are any other flood relief areas that have unspent balances (business relief, road repair, etc.) my bill would allow a lateral transfer into the Quick Start account and dedicate it to those homeowners who have not received funding.

MHFA has already said you can't give state money to those who qualify for an SBA loan, because then you would be double dipping. So under my bill, if a victim has received an SBA loan, he or she could have the state use their share of the money to pay down their SBA loan.

This bill is common-sense, and addresses the disaster relief discrimination policies that I think few of us ever expected. Several Democrats have also signed on to the bill as co-authors, so I am hopeful we can work together in non-partisan fashion and help approve this legislation before session ends.

When flood relief funds were approved during a special session last September, our legislative intent was for ALL people who had flood damage to receive state funds based on damage to their facility – with grants given out proportionally to need. After six months of hardship, I hope we can end this discrimination and let ALL of our flood victims receive the funds they rightfully deserve.

Please let me know what you think. You can write me at 247 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd, St. Paul, MN 55155. You can call me toll free, at 1-888-683-3436 or e-mail me at: rep.steve.drazkowski@house.mn. To sign up for my email updates, please visit www.house.mn/28B and click on "Email Updates."