

2022 Regular Session

HOUSE RESOLUTION NO. 151

BY REPRESENTATIVE FONTENOT

UTILITIES: Memorializes congress to support amendments to the Stafford Act to allow natural disaster-related funding for private or investor-owned utilities

1 A RESOLUTION

2 To memorialize the United States Congress to support amendments to the Robert T. Stafford
3 Disaster Relief and Emergency Assistance Act to allow private or investor-owned
4 utility customers to receive federal funding for reimbursements related to charges
5 incurred for utility damages resulting from natural disasters and to remove the
6 requirement for states to seek waivers to receive Community Development Block
7 Grant funding for storm damage costs incurred by private or investor-owned utilities.

8 WHEREAS, under the Robert T. Stafford Disaster Relief and Emergency Assistance
9 Act, public financial assistance may be available for repair, restoration, and replacement of
10 state or local government facilities damaged by a natural disaster, including public utilities,
11 but investor-owned utilities are ineligible to receive financial assistance under this program;
12 and

13 WHEREAS, Community Development Block Grant (CDBG) funds may be used by
14 states and local communities affected by disasters to undertake short-term disaster relief
15 efforts such as emergency restoration of electricity and other essential services, to mitigate
16 the effect of a disaster, or to support long-term recovery and reconstruction efforts; and

17 WHEREAS, CDBG funds cannot currently be used to mitigate damage costs of
18 private or investor-owned utilities, or their customers, when a natural disaster causes such
19 damage, unless a waiver is granted by the secretary of the United States Department of
20 Housing and Urban Development (HUD); and

1 WHEREAS, CDBG funding must be used to principally benefit low- and
2 moderate-income persons, aid in eliminating or preventing slums or blight, or meet
3 particularly urgent community development needs because existing conditions pose a serious
4 and immediate threat to the public; and

5 WHEREAS, lack of electricity or gas is an urgent community need that poses a
6 serious and immediate threat regardless of whether it is provided by an electric cooperative
7 or a private or investor-owned utility; and

8 WHEREAS, damage to electric utility infrastructure in Louisiana, no matter how
9 short of a time period, causes a serious threat to national security due to essential
10 infrastructure strategically located within the state; and

11 WHEREAS, it is in the national interest of all citizens of the United States for
12 utilities to expeditiously rebuild damaged infrastructure as soon as possible; and

13 WHEREAS, citizens of Louisiana bear the cost of rebuilding electric utility assets,
14 which benefit the entire country; and

15 WHEREAS, several times over the past two decades, congress has granted the
16 secretary of HUD significant authority to waive program requirements in disaster relief
17 appropriations legislation; and

18 WHEREAS, the state of Louisiana has endured significant damage to its utility
19 infrastructure over the past several decades because of major hurricanes striking the state and
20 evidence supports that the state will continue to see increases in storm intensity and
21 frequency; and

22 WHEREAS, electric cooperatives, in addition to receiving significant federal
23 subsidies, are allowed to receive CDBG and federal funding for damage incurred to their
24 infrastructure from a natural disaster; and

25 WHEREAS, private or investor-owned utilities, absent a waiver from HUD, are
26 prohibited from receiving federal funding to repair their infrastructure damaged by the same
27 natural disaster that electric cooperatives experienced, and must pass those costs on to their
28 customers; and

29 WHEREAS, because electric cooperatives can receive federal funding to repair their
30 damaged infrastructure, those costs are not passed on to their customers; and

1 WHEREAS, customers of investor-owned utilities pay higher bills than customers
2 of electric cooperatives, even though the services those customers require meet the eligibility
3 requirements to receive CDBG funding.

4 THEREFORE, BE IT RESOLVED that the House of Representatives of the
5 Legislature of Louisiana does hereby memorialize the United States Congress to support
6 amendments to the Robert T. Stafford Disaster Relief and Emergency Assistance Act to
7 allow private or investor-owned utility customers to receive federal funding for
8 reimbursements related to charges incurred for utility damages resulting from natural
9 disasters and to remove the requirement for states to seek waivers to receive Community
10 Development Block Grant funding for storm damage costs incurred by private or
11 investor-owned utilities.

12 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
13 presiding officers of the Senate and the House of Representatives of the Congress of the
14 United States of America and to each member of the Louisiana congressional delegation.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Memorializes the U.S. Congress to support amendments to the Robert T. Stafford Disaster Relief and Emergency Assistance Act to allow private or investor-owned utility customers to receive federal funding for reimbursements related to charges incurred for utility damages resulting from natural disasters and to remove the requirement for states to seek waivers to receive Community Development Block Grant funding for storm damage costs incurred by private or investor-owned utilities.