

2022 Regular Session

HOUSE RESOLUTION NO. 151

BY REPRESENTATIVES FONTENOT, DAVIS, HILFERTY, JORDAN, LAFLEUR,
NEWELL, ST. BLANC, THOMAS, AND LANDRY

A RESOLUTION

To memorialize the United States 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.

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

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

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

WHEREAS, CDBG funding must be used to principally benefit low- and moderate-income persons, aid in eliminating or preventing slums or blight, or meet

particularly urgent community development needs because existing conditions pose a serious and immediate threat to the public; and

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

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

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

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

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

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

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

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

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

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

THEREFORE, BE IT RESOLVED that the House of Representatives of the Legislature of Louisiana does hereby memorialize the United States 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.

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES