

**TITLE 145. OKLAHOMA DEPARTMENT OF EMERGENCY MANAGEMENT CHAPTER  
10. GUBERNATORIAL DECLARATIONS FOR DISASTER ASSISTANCE**

***Rule Impact Statement***

**I. A brief description of the proposed rules:**

These rules are responsive to a recently enacted piece of legislation creating a financial advancement program to be implemented and overseen by the Oklahoma Department of Emergency Management ("OEM") as now codified at 63 O.S. § 690.10. These rules set baseline procedures and expectations for the newly established program, while still promoting effective and transparent administration methods of state funds by OEM to eligible applicants. These rules also provide a foundation for program integrity and longevity by ensuring a fulfilled legislative purpose and ensuring the state of Oklahoma's participation with significant FEMA programs.

**II. A description of the persons who most likely will be affected by the proposed rule, including classes that will bear the costs of the proposed rule, and any information on cost impacts received by the agency from any private or public entities:**

The proposed rules will impact local political/governmental subdivisions within the state of Oklahoma who have been impacted by a federally declared disaster or emergency. If these groups are specifically impacted and also seek federal funding through FEMA's Public Assistance and/or Hazard Mitigation Assistance Programs. The Oklahoma Department of Emergency Management does not anticipate any cost impact(s) to these groups or others.

**III. A description of the classes of persons who will benefit from the proposed rule:**

Oklahomans from all 77 counties will benefit from these rules by ensuring their local governments can access financial aid in the event of a federally declared disaster or emergency having detrimental impact to their communities and local economies.

**IV. A description of the probable economic impact of the proposed rule upon affected classes of persons or political subdivisions, including a listing of all fee changes and, whenever possible, a separate justification for each fee change:**

There is probable positive economic impact for local political/governmental subdivisions within the state impacted by a federally declared disaster or emergency. These rules allow for an effective administration of a program that can provide quicker access to a percentage of their expected funding set to be received through two of FEMA's most significant programs in our state. There is no fee change.

**V. The probable costs and benefits to the agency and to any other agency of the implementation and enforcement of the proposed rule, and any anticipated effect on state revenues, including a projected net loss or gain in such revenues if it can be projected by the agency:**

The Oklahoma Department of Emergency Management ("OEM") believes that through implementing these rules local political/governmental subdivisions know what is required to be eligible for this program. In turn, this sets clear expectations as to how state funds will be utilized by OEM and recipients.

The local subdivisions deemed eligible by OEM for the funding are expected to repay OEM the funding amount in full per the terms of a qualifying repayment agreement. 63 O.S., § 690.10. The qualifying repayment agreement will set express expectations for returning the exact amount of funding received through this program once FEMA funds are disbursed for the applicant's related federal request. As the pass-through recipient of FEMA PA and Hazard Mitigation program funds, OEM, has the independent obligation to monitor that Oklahoma applicants are spending federal funds, and the funding amount, as initially represented. The rules will ensure a foundation can be laid for program integrity as to prevent any net loss from the appropriation amount given to this program.

**VI. A determination of whether implementation of the proposed rule may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act:**

The Oklahoma Department of Emergency Management does not anticipate any adverse effect on small business as a result of the proposed new rules.

**VII. An explanation of the measures the agency has taken to minimize compliance costs and a determination of whether there are less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rule:**

The Oklahoma Department of Emergency Management finds that there are no less costly or nonregulatory methods or less intrusive methods to achieve the purpose of the proposed rule.

**VIII. A determination of the effect of the proposed rule on the public health, safety, and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety, and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk:**

The Oklahoma Department of Emergency Management finds the proposed rules will benefit public health and safety as such are intended to initiate a program which helps areas severely impacted by federally declared disasters and/or emergencies. Rules allowing for an effective program will allow for communities to begin rebuilding sooner.

**IX. A determination of any detrimental effect on the public health, safety, and environment if the proposed rule is not implemented:**

The public health, safety, and welfare will be detrimentally affected by failure to implement these rules. The state's funds appropriated to the State Assistance Dedicated for Disaster- impacted Local Economies Revolving Fund will remain unused as the program cannot be securely administered. Such would be an extreme disservice to communities in our state currently affected by the aftermath of two federally declared disasters this year (2024). Furthermore, several more federal disasters/emergencies could be declared in the interim period of submitting these rules as adopted permanent rules consistent with the timeline imposed for such.

**Date prepared: December 16, 2024**