

Disaster Response Emergency Operations Account (DREOA) **Fact Sheet**

The Disaster Response-Emergency Operations Account (DREOA) is authorized for disaster response operation costs incurred by state agencies as a result of a proclamation by the Governor of a state of emergency (Government Code Section 8690.6). "Disaster response operations costs" are defined as costs that are immediate and necessary to deal with an ongoing or emerging crisis. DREOA allocations can be made for activities that occur within 120 days after a proclamation of emergency by the Governor. That period may be extended pursuant to statute.

The timing and immediate necessity of the activities for which the costs are incurred, and who is incurring the costs are the first essential tests of DREOA eligibility. DREOA eligible activities are generally emergency protective measures and debris removal related to immediate potential health and safety risks. DREOA eligible costs are limited to extraordinary costs, which are those that cannot reasonably be absorbed within a state agency's existing budget authority. Eligibility criteria and examples are included in Addendum A.

For state agencies to be considered for a DREOA allocation, they must report all disaster response costs for a proclaimed incident to the DFRR office within Cal OES and identify the costs that are nonabsorbable.

- DFRR reviews all costs submitted and works with state agencies to help determine which activities are eligible for DREOA. Final DREOA eligibility determinations are made by the Department of Finance (Finance)
 - State agencies should notify DFRR of any costs incurred that fall outside the eligibility start date and/or geographic areas established by the Governor's proclamation of a state of emergency that are unabsorbable to help initiate and inform discussions with Finance regarding the possibility of other funding options.
- During the disaster response efforts, DFRR informs state agencies of times when the information will be shared with Finance for DREOA allocation consideration.
- DFRR shares the consolidated state agency costs and potential funding needs with Finance, who utilizes the information to determine whether and in what amount additional funding may be provided. Upon the final determination, Finance prepares the necessary DREOA allocation legislative notification and completes the executive order to transfer funding.

DREOA is a subaccount within the General Fund and draws funding from the state's General Fund reserves, so requests for funding are strongly weighed to determine absorbability. Minor costs that do not rise to a reasonable threshold, should generally be

considered, and may be determined by Finance, to be absorbable. If a state disaster receives a federal major presidential or emergency declaration, all state costs for response efforts may be eligible for federal reimbursement through the Federal Emergency Management Agency (FEMA) Public Assistance (PA) program. Consequently, all related response costs should be reported to DFRR for tracking and coordination.

- FEMA eligibility will be determined by the specific federal declaration.
 - State agencies will work with the Cal OES Recovery Public Assistance team to capture all eligible disaster costs, including those funded with DREOA, to request federal reimbursement.
 - FEMA reimbursements may be used to backfill the General Fund for any DREOA provided to a state agency.

Addendum A

General Criteria:

- The cost must be incurred by a state agency.
- The cost must be incurred as a direct result of a proclamation by the Governor of a state of emergency.
- The costs must be immediate and necessary to deal with an ongoing or emerging crisis.
- The costs must be for activities that occur within the 120-day period starting on the date the Governor proclaims the state of emergency. That period may be extended pursuant to statute.
- DREOA allocations for acquisitions, relocations, and environmental mitigations related to the activities described above can only be authorized if the needs are a direct consequence of the proclaimed emergency and if failure to undertake the project may interrupt essential state services or jeopardize public health or safety.
- DREOA allocations cannot be used to supplant federal funds otherwise available in the absence of state financial relief.
- A public entity administering disaster assistance to individuals cannot receive DREOA funding unless it administers that assistance pursuant to the following criteria:
 - All applications, forms, and other written materials presented to persons seeking assistance shall be available in English and in the same language used by the major non-English-speaking group within the disaster area.
 - Bilingual staff who reflect the demographics of the disaster area shall be available to applicants.
- DREOA funding cannot be expended for conditions in the state's prisons, medical facilities, or youth correctional facilities resulting solely from the action or inaction of the Department of Corrections and Rehabilitation in administering those facilities.
- Straight staff time is not eligible for DREOA unless funded with a fund source not allowable for disaster response.
 - Straight time for staff funded by a federal grant or state special fund that has a specified use, which does not include or reasonable allow for disaster response, would be eligible for DREOA.
- Responding staff overtime is eligible for DREOA.

- Costs incurred prior to the eligibility start date and/or outside of the geographic areas identified in the state of emergency are not eligible for DREOA.

General Examples:

Examples of costs that are generally DREOA eligible include, but are not limited to the following:

- Assistance with evacuations and temporary evacuations, sheltering, and support, frequently referred to as wraparound services
- Swift water rescue or search and rescue
- Temporary medical stations
- Temporary or short-term repairs to stabilize levee breaches, or similar infrastructure, until permanent repairs or restorations can be completed
- Temporary or short-term measures necessary to prevent the overflow of wastewater or other hazardous materials
- Debris removal to clear toxic or hazardous materials, including hazardous trees, that pose an immediate risk to health and safety
- Repositioning and emergency protective measures immediately necessary to prepare for an emerging crisis
- Reasonable administrative/management support costs associated with otherwise eligible activities