TAFT URGES U.S. SENATORS TO SUPPORT LEGISLATION TO HELP DISASTER VICTIMS

COLUMBUS (April 5, 2005) – Governor Bob Taft recently urged U.S. Senator Charles Grassley, Chairman of the Senate Finance Committee, and U.S. Senator Max Baucus, Ranking Member of the Senate Finance Committee, to swiftly pass S. 586 and its companion legislation, H.R. 1134 in a letter sent to the Congressmen. The bills would reverse the June 28, 2004, IRS ruling which made federal hazard mitigation assistance taxable for individuals and businesses.

“S. 586 and H.R. 1134 will remedy this ill-considered IRS ruling and will encourage disaster-impacted Ohio communities and their citizens to seek out mitigation assistance and limit harm to people and property,” Taft said. “I respectfully urge passage of this legislation and ask the Senate to reconsider this ruling to allow mitigation assistance to remain non-taxable. This decision will have a long-term impact on disaster prevention and preparedness.”

Federal Emergency Management Agency (FEMA) hazard mitigation grants, administered through the Ohio Emergency Management Agency (Ohio EMA), help families and communities mitigate potential damage from disasters. Through the Stafford Act’s mitigation programs, FEMA provides assistance to governments, businesses and individuals.

Grants are typically used to help prevent homes from suffering future losses, protect the people in the homes from future disasters and reduce the rate of federal disaster response and recovery cost increases. Many of the people who take advantage of such assistance are people living in lower-valued property in the flood plain and cannot afford to move on their own.

“The current policy not only undermines the nation’s efforts to lower the costs of future disasters through mitigation, but it also discourages individuals affected by repeated disasters from removing themselves from harm or taking action to prevent repeated damage and property loss – the very action we are trying to encourage,” wrote Governor Taft.

In the last five years, Ohio EMA’s Mitigation Branch has been working with 96 project applications offering mitigation opportunities to approximately 900 Ohio families. Mitigation projects have been made eligible in 13 of the last 15 disasters since the beginning of 2000.

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