

Modernizing B.C.'s Emergency Management Legislation

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Workshop Agenda

Presentation

- Update on the legislative framework
- Recent changes to the Compensation & Disaster Financial Assistance Regulation
- Upcoming regulatory development
- Upcoming implementation planning
- Next steps

Break out discussions

- Risk Assessments and Emergency Management Plans
- Equity, intersectionality and vulnerability
- Disaster Financial Assistance
- Supports for implementation

Review of what was heard in break out discussions and conclusions



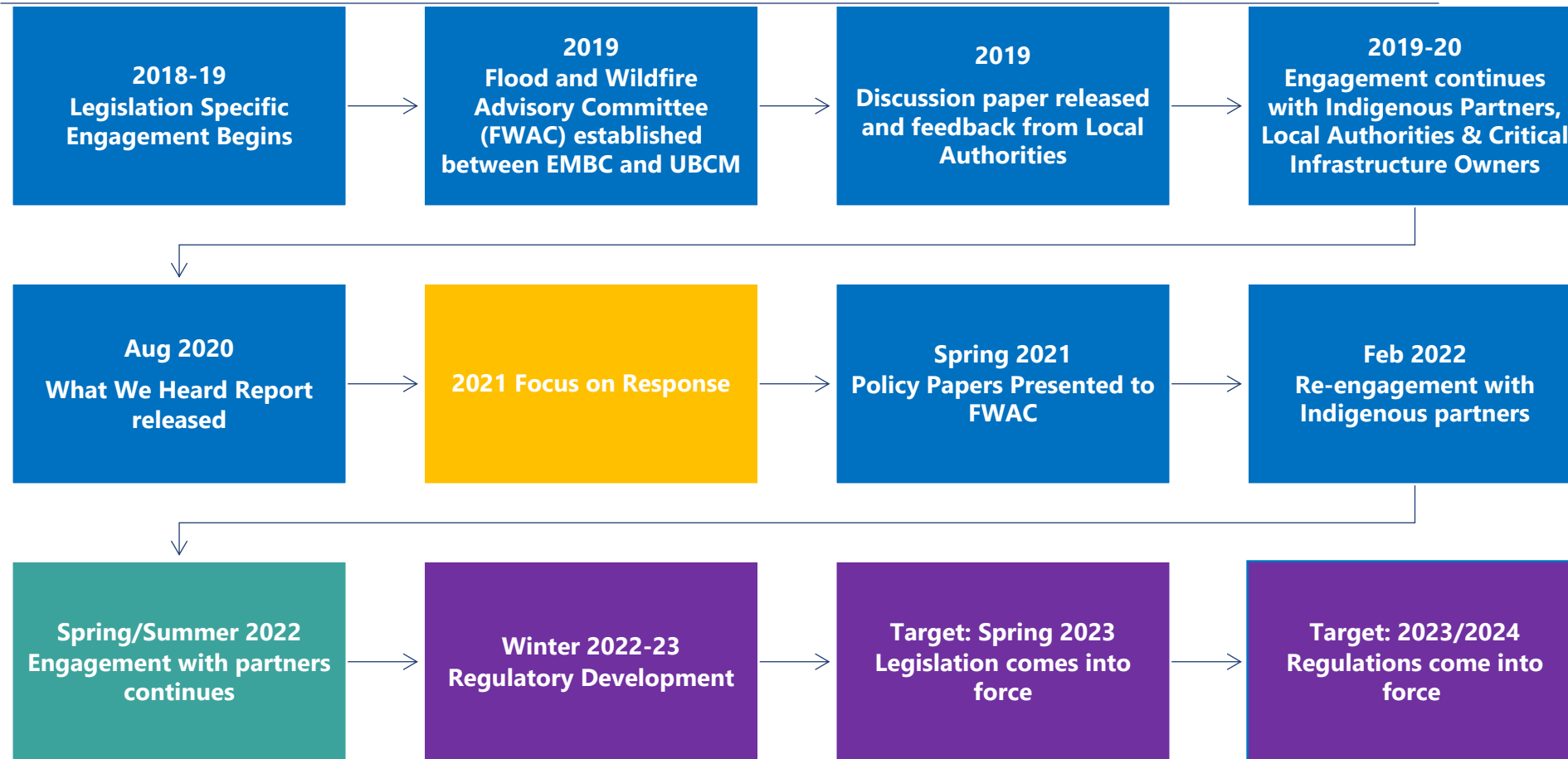


Goals of Modernized Legislation

- Integrate the Sendai Framework on Disaster Risk Reduction
- Include all four pillars of emergency management
- Address climate change impacts
- Align with the *Declaration on the Rights of Indigenous Peoples Act*



Overall Legislative Timeline





Existing Legislative Tools/Powers

- Power to delegate any of a local authority's powers and duties to the committee, emergency management organization or coordinator except the power to make a state of local emergency (SOLE) declaration
- Power to declare a SOLE
- Power to extend a SOLE with Minister approval
- Power to implement all procedures, local emergency management plans and measures during a SOLE
- Ability to use emergency powers
 - control/prohibit travel, cause the evacuation of persons and removal of livestock
 - distribute essential supplies, procure/ration essential supplies, require any person to give assistance
 - use any land/property necessary, demolish trees/structures, construct works, authorize entry into building/land



New Legislative Tools/Powers

- Multi-jurisdictional Emergency Management Organizations (MJEMOs)
 - Local authorities will now be able to choose to establish or join a multijurisdictional emergency management organization. These can include local authorities, First Nations, and the province.
 - This will allow for local authorities to complete related requirements together, such as emergency management plans and risk assessments and to exercise emergency powers jointly.
- Recovery Transition powers
 - Local authorities will now be able to declare a Recovery Transition Period and use recovery powers, if required, following a SOLE. This will alleviate the need for prolonged SOLEs.
- Clarified and detailed local authority response powers
- Framework for consideration of disproportionate impacts and cultural safety





Existing Responsibilities

- Creation of an emergency management organization
- Creation of emergency management plans for response and recovery
- Implementing emergency plans
- Publishing a SOLE and forwarding to the Minister





New Responsibilities

Blue: Moved from Regulation
Green: New
Black: Existing

- Prepare and maintain a risk assessment with respect to the hazards within their jurisdiction.
 - For Regional Districts risk assessment required only for populated areas
- Emergency Management (EM) plans must reflect:
 - All four phases of EM
 - Evacuation of people and animals
 - Consideration of populations that might be disproportionately affected and cultural safety
 - Indigenous knowledge
- Prepare and maintain a business continuity plan
- Consult and cooperate with Indigenous Governing Bodies in emergency management planning, risk assessment development, evacuation planning, and throughout response and recovery phases.
- Reporting to the Minister on the use of SOLE and Recovery Transition Period (RTP) powers





Co-Development Process

- Aligned co-development strategy with *Declaration on the Rights of Indigenous Peoples Act*
- Adopted a distinctions-based approach which means that the co-development process looks different with each partner
- Regional engagement sessions held with Indigenous government representatives in June 2022

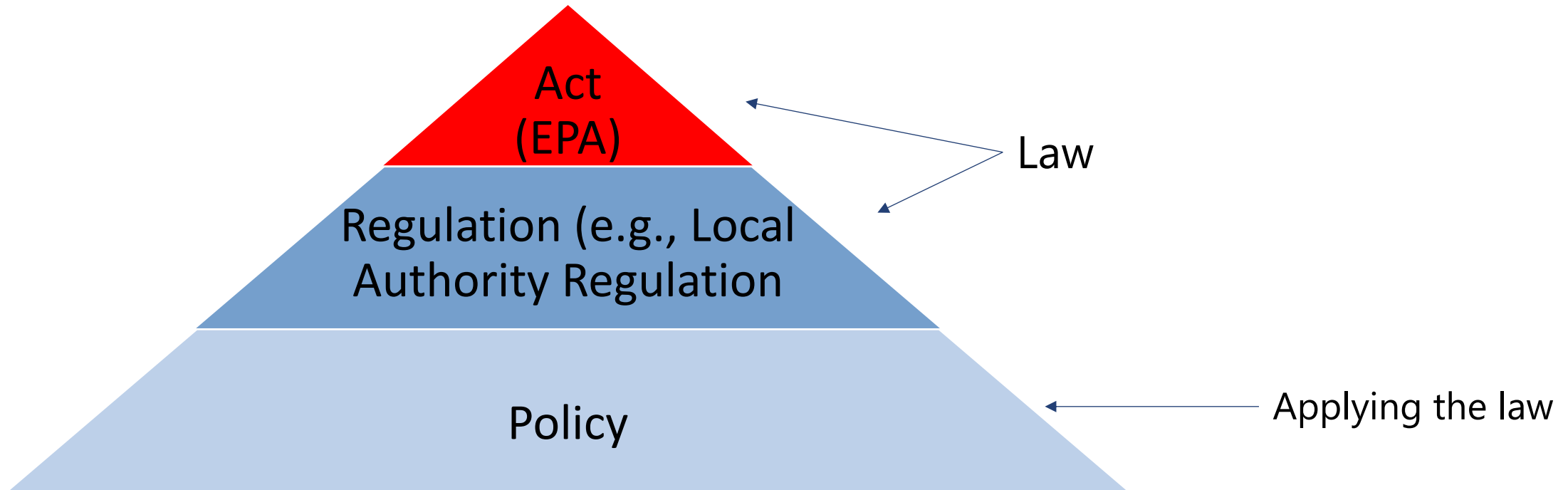


Indigenous Co-development Policy Shifts

- Guiding principles
- Evolving Indigenous governance
- Enabling agreements
- Periodic review of agreements
- Mandate consultation and cooperation
- Consider disproportionate impacts and cultural safety
- Use Indigenous Knowledges in emergency management



Setting the Stage: Laws → Policy





Priority Areas of Regulation

Emergency Program Management (Update) Spring 2023

Local Authority Emergency Management (Update) Fall 2023

Compensation and Disaster Financial Assistance (Update) Spring 2024

Critical Infrastructure (New) Fall 2023

Compliance and Enforcement (New) Spring 2023





Compensation and Disaster Financial Assistance Regulation

- **Leading up to spring 2024:** EMBC will consult on the design of the modernized CDFAR.
- **Recent and ongoing work:** EMBC recognized the need to make some critical program updates due to past program challenges. A multi-phased program update was developed for CDFAR with the following priorities:
 - Phase 1: Key regulatory requirements to provide incremental financial support to affected local authorities and private sector applicants;
 - Phase 2: Key policy requirements to provide clarity on program adjudication, and to implement phase 1 regulatory changes.



DFA Update – Phase 1

- Five regulatory challenges were identified and prioritized for updating:
 - Contribution amount
 - Claim reimbursement model
 - Small business minimum income qualification
 - Small business maximum income qualification
 - Corporation owned properties



Public Sector – Issue #1: Contribution

- CDFAR required the local authority to fund 20% of eligible public infrastructure recovery costs. This is a significant challenge for many local authorities due to liquidity challenges.
- **Regulation change – per capita cost share**
 - CDFAR amended to replace the existing 80:20 cost share to a new percentage based on the value of loss per capita, where the provincial contribution increases as the cost of the project increases.
 - Cap the total contribution by local authorities at 10% of the project maximum and establish a minimum of 5% for per capita costs for the highest tier.



Public Sector - Issue #2: Claim Reimbursement Model

- The CDFAR contemplates the way which reimbursement for eligible expenditures may be provided.
- Local authorities must complete their project, or a subsection of their project, prior to submitting for reimbursement.
- This created significant liquidity challenges as local authorities do not often have sufficient cash flow to finance capital intensive projects up front.
- **Regulation change - % upfront**
 - CDFAR amended to allow for the DFA program to provide up to 50% of a project's estimated costs upfront to communities.



Private Sector - Issue #1: Small business minimum income qualification

- Small businesses are eligible only if they can demonstrate that revenues earned are the 'major' source of their income. This has been operationally interpreted to mean 50% or more.
- Over the last 10 years, 166 out of 338 small business applicants (or 49%) have been unable to demonstrate the 50% income threshold.
- **Regulation change**
 - Replace the major source of income rule with a requirement that a small business must have at least \$10,000/year in revenue from the business.



Private Sector - Issue #2: Maximum income qualification

- CDFAR set out a maximum revenue threshold of \$1M for all small businesses.
- The federal Disaster Financial Assistance Arrangement (DFAA) program sets out a maximum revenue threshold of \$2M.
- The CDFAR's threshold disqualified a number of small businesses with revenues between \$1M and \$2M.
- **Regulation change**
 - Align BC's cap on annual revenue qualification with the federal \$2 million/yr cap.



Private Sector - Issue #3: Corporation owned properties

- CDFAR eligibility only applies to an applicant's primary residence, defined as "a residence occupied by the individual as the individual's home, and for which the individual claimed a homeowner grant".
- In situations where a corporation owns a home, such as through a farm or other small business, the corporation is not able to claim a homeowner grant and is therefore ineligible for program support.
- **Regulation change**
 - Establish alternative criteria applies "corporate interest holder" from the speculation and vacancy tax.



DFA Update – Phase 2

- With several key regulatory priorities updated, phase 2 focused on policy updates to provide added transparency and standardization with application adjudication.
- Four topics were targeted for prioritization:
 - DFA Land Slippage Policy
 - Combined Funding Source Policy
 - Essential Access Policy
 - Limit to Assistance Regulatory Update
- Phase 2 also included operationalizing Phase 1 regulatory updates, including developing a policy framework for advanced funding.



DFA Land Slippage Policy

Issue: EMBC's DFA Land Slippage Policy was applied on a case-by-case basis with limited policy rigour.

Solution: Redevelop the DFA Land Slippage Policy that affords consistency across events, situations, and geographies.

Status: Staff are leading a comprehensive review of the existing policy, and updating to ensure there is a clear policy framework that guides decision-making. This includes establishing clear criteria for program eligibility.



Combined Funding Source Policy

Issue: The CDFAR deems DFA as the provincial fund of last resort. Should a recovery expenditure have an alternative funding source, then DFA is typically not eligible for that expenditure.

Solution: This policy has been updated to allow communities to combine funding on top of DFA support for a recovery expenditure, as long as communities ensure they are tracking and reporting DFA eligible expenditures separately from any incremental expenditure.

Status: EMBC is currently evaluating the best option to operationalize this policy change.





Essential Access Policy

Issue: The CDFAR limits the eligible recovery expenditure to only the principal residence on a property, and anything outlined in the regulatory schedules. Over time, this was interpreted to mean an applicant was only eligible for DFA support if their principal residence was damaged. This meant that applicants with undamaged principal residences were ineligible for DFA even if other “improvements” were damaged.

Solution: Update the program interpretation to include essential access and essential services to the principal residence as eligible expenditures.

Status: The policy has been operationalized, and the program is actively adjudicating applications against the revised policy.



Limit to Assistance

Issue: The CDFAR's Limit to Assistance was last updated in 2005, when it was raised to \$300K. There is recognition that inflationary costs are compounded by the recent rise in building materials/labour costs, and this is not reflected in the current limit to assistance.

Solution: Increase the limit to assistance.

Status: Work to update the limit to assistance regulation is ongoing.

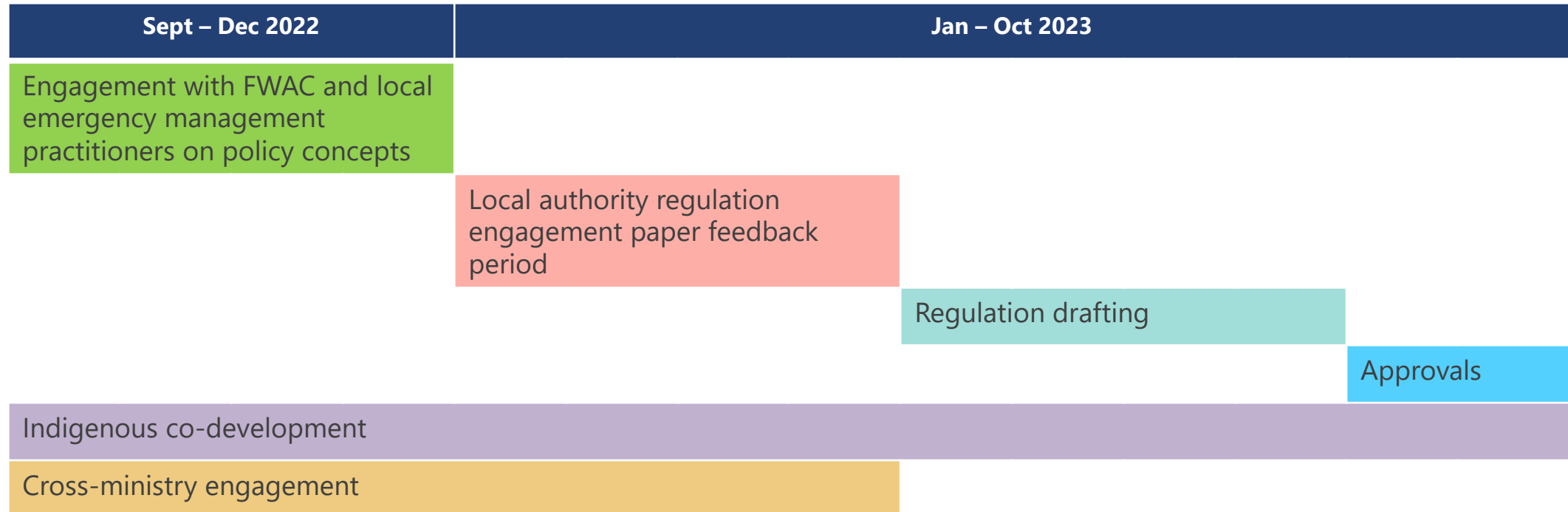


Local Authority Regulation

- The existing regulation covers:
 - Requirements of local emergency programs and emergency response plans
 - Powers of local authorities
 - Duties of local authorities
- Expected or possible in the updated regulation:
 - Details on requirements for:
 - Emergency management plans
 - Risk assessments
 - Business continuity plans
 - Reporting requirements
 - Engagement with Indigenous Governing Bodies



Local Authority Regulation Development Timeline





Implementation

- New powers for local authorities are contemplated when legislation comes into force
- New responsibilities expected to be phased-in (Local Authority Regulation anticipated for fall 2023)
- Ongoing work to identify local authority implementation needs and effective methods to meet those needs



Resources and Capacity

- Ongoing feedback from partners has indicated additional supports, including funding, subject matter expertise, tools, guidance
- We recognize investment is required for successful implementation of legislation
- Capacity needs for:
 - Local authorities
 - Indigenous Governing Bodies
- Phased implementation planned through bringing regulations into force over time
- Dedicated and on-going funding for mitigation and risk reduction recognized as a significant need



Next steps

- Ongoing engagement with Flood and Wildfire Advisory Committee (FWAC)
- Release of public consultation document
- Emergency Preparedness and Business Continuity Conference
- Ongoing regulation development
- Updates with new policy directions on EMBC web page
- Target: Legislation anticipated to come into force spring 2023
- Target: Regulations anticipated to come into force 2023/24



Breakout Groups

1. Risk Assessments and Emergency Management Plans
2. Equity, Intersectionality and Vulnerability
3. Disaster Financial Assistance
4. Supports for implementation



Review of Breakout Groups and Conclusions



Thank You

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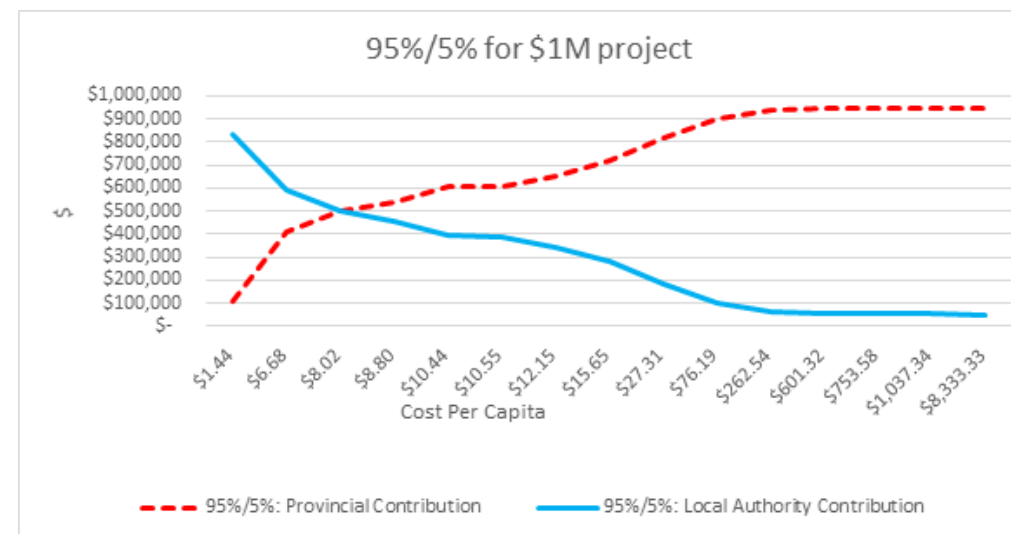
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Appendix

Contribution Amount – Financial Modelling 95/5

95%/5%	Provincial %	Community %
From \$0.00 to \$1.00	5%	95%
From \$1.01 to \$3.00	25%	75%
From \$3.01 to \$5.00	50%	50%
From \$5.01 to \$7.00	75%	25%
Over \$7.01	95%	5%



Application of the 95/5 model on AR 2021 community projects demonstrating which projects would be subject to 10% community contribution capping.

Scenario	Provincial Contribution	Community Contribution	95%/5%	Provincial Contribution	Community Contribution	95%/5% (with 10% cap)
Scenario #1	\$ 50,039,000	\$ 3,202,100	6.01%	\$ 50,039,000	\$ 3,202,100	6.01%
Scenario #2	\$ 24,491	\$ 28,009	53.35%	\$ 47,250	\$ 5,250	10.00%
Scenario #3	\$ 10,790	\$ 14,210	56.84%	\$ 22,500	\$ 2,500	10.00%
Scenario #4	\$ 1,090,869	\$ 68,131	5.88%	\$ 1,090,869	\$ 68,131	5.88%
Totals	\$ 51,165,151	\$ 3,312,449		\$ 51,199,619	\$ 3,277,981	
Average			30.52%			7.97%