

## **TIER 2 FUNDING**

As the Tier 1 funding process progresses for a named disaster, it is inevitable that there be some counties who are unable to obligate all of the funds allocated to them for various reasons; i.e. the county did not submit enough projects to exhaust their funding amount or one or more of that county's applications were found to be ineligible for funding.

Once this occurs, State Mitigation staff will notify that particular county LMS Chairperson in writing that their unused Tier 1 funding allocation is in jeopardy of being lost. We will then request that county's LMS Chairperson acknowledge the potential loss of funds or identify any potential errors that may have been made on our part in writing. In the event that the county's LMS Chairperson verifies the loss by concurrence, those Tier 1 funds will become Tier 2 funds. These Tier 2 funds will be offered to other LMS Working Groups from other counties included in the same declaration in accordance with the following **Tier 2 Funding procedure**:

- Tier 2 funds will be offered on a priority basis to LMS Working Groups from counties included in the specific disaster declaration (as amended) to which the HMGP project funds are associated. Unless superseded by further directive, only projects submitted within the application period specified in the Notice of Funding Availability (NOFA) are eligible for Tier 2 funding.
- Eligible LMS Working Groups will be offered Tier 2 funding in a priority order based on the amount of their Tier 1 allocation from that specific disaster; **the highest priority will be the county LMS Working Group that received the smallest allocation for that specific disaster.**
- The first round of Tier 2 funding will be offered only to partially funded Tier 1 projects, beginning with the county that received the smallest allocation under that specific disaster and so on until the funds are expended.
  - Should additional Tier 2 funds become available, the offer of funding will pick up at the point it left off in the previous round.
- Once all **partially funded** Tier 1 projects have been fully funded using Tier 2 funds, any **remaining or subsequent funds will be offered to fund eligible non-funded projects.** The highest priority will be the county LMS Working Group that received the smallest allocation for that specific disaster and so on until the funds are expended.
- LMS Working Groups that have been declared under multiple declarations may shift non-funded (**but not partially funded**) projects submitted under other declarations to make them eligible to receive the round of Tier 2 funding.
  - To ensure a more equitable distribution, a cap may be imposed by the Division of Emergency Management on the amount of Tier 2 funds offered to a county. This will be determined at the time and will be based

on thenumber of remaining projects, their distribution and the amount of funds available.

### **TIER 3 FUNDING**

In the event the declared counties are unable to absorb the available project funds through the Tier 1 & Tier 2 process, any remaining funds will be offered on a statewide basis without regard to inclusion in the particular declaration.

- First priority will go to undeclared counties who had no allocation, but were farsighted enough to submit projects for Tier 3 funding within the specified timeframes. Should there be more than one county, the priority shall go to the county with the smallest population.
- Following the undeclared counties, the priority shall be the declared counties, beginning with the county having the lowest total allocation from all declarations (provided that county has eligible non-funded projects submitted within the timeframes specified in the NOFA).
- Should funds remain unobligated after the pool of properly submitted projects is exhausted and where time permits, eligible applicants statewide may be asked to submit new projects, which will be funded on a "first come - first served" basis.
- Additional funds made available through the 6, 12 or 18 month lock-in will be allocated as Tier 1 funds and if necessary a new application period will be created.