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Federal Emergency Management Agency

Washington, D.C. 20472

MEMORANDUM TO THE PRESIDENT

TEXAS

On August 18, 1983, Hurricane Alicia made landfall on the southern end of Galveston Island at 4:00 a.m. Maximum sustained winds were 115 mph. The storm moved into the Houston area where it caused considerable damage. The remnants of Hurricane Alicia produced severe thunderstorms in central and northern Texas as well as in southern Oklahoma. Tides were reported to be 12 feet above normal along the barrier islands on the Texas coast. Most telephone and power lines are down in the Galveston area.

FEMA's regional office in Texas has monitored the situation closely and has placed its disaster assistance employees and reservists on standby alert as well as advising other Federal agencies of the possible need for their availability in the event of a major-disaster declaration. While our onsite officials are unable to provide detailed damage information at this time, they have emphasized the severity and magnitude of the damage incurred and the fact that the situation is beyond the capabilities of the State and local governments.

Governor Mark White has requested a major-disaster declaration. He has implemented the State emergency plan and determined that the situation is beyond the State and local governments' capabilities to respond. The commitment, while not stated by the Governor, consists of the mandatory cost sharing of the Individual and Family Grant program and the cost sharing of eligible Public Assistance costs which is stipulated in the proposed declaration letter. Based on our experience with previous hurricanes of similar magnitude in this area, there is no doubt that this request warrants a major-disaster declaration.

I recommend that you declare a major disaster for the State of Texas due to damage resulting from Hurricane Alicia.

In the event of a declaration, I intend to designate Brazoria, Chambers, Fort Bend, Galveston, Harris and Matagorda Counties eligible for Individual Assistance. This will provide immediate Federal help to families, individuals and businesses. Further, I intend to designate Brazoria, Chambers, Galveston and Harris Counties eligible for Public Assistance to local government facilities. Fort Bend and Matagorda Counties may be designated at a later date when additional information is received. Public Assistance for State facilities in these areas will not be designated until such time as the State portion of the commitment is clarified.

SIGNED

Director Federal Emergency Management Agency

Date:

Attachments: Declaration Letter Telegram to the Governor Notice to the Press Congressional Representation State Map Governor's Request

2. I'



Federal Emergency Management Agency

Washington, D.C. 20472

MEMORANDUM TO THE PRESIDENT

ARIZONA

Beginning on or about September 23, 1983, severe storms, producing heavy rains, high winds and flooding struck Yavapai County, in central Arizona, causing extensive damages in the public and private sectors. This resulted in a declaration of emergency by the Governor for Yavapai County on that date. On or about September 28, storms increased, affecting widespread areas of the State with additional heavy rains and extensive flooding. Over a period of several days, a total of ten counties reported severe damage and losses. A total of thirteen persons are reported dead or missing as a result of the incident.

On October 3, the Governor expanded his State of Emergency declaration to include the entire State. Governor Bruce Babbitt's request for a Presidential disaster declaration was received on October 3, 1983. The Governor asked for Individual and Public Assistance for ten Arizona counties: Apache, Cochise, Gila, Graham, Greenlee, Maricopa, Pima, Pinal, Santa Cruz and Yavapai. On October 2, FEMA representatives accompanied the Governor and other State officials on an aerial inspection of the affected area. An analysis of their report follows.

INDIVIDUAL ASSISTANCE

With regard to emergency services, the American Red Cross, in coordination with State and local governments, has established 12 shelters throughout the 10 county area, providing assistance to approximately 3,000 victims. State and local government agencies, including the National Guard, have provided disaster relief in the form of emergency medical assistance, water supplies, evacuation, sand bagging, and emergency road repairs. Following the fly-over survey, FEMA has estimated that about 500 homes have been flooded, some to depths in excess of six feet. Based on that information, our regional staff has estimated the cost of a temporary housing program at about \$1,500,000.

The Governor also has requested the Individual and Family Grant (IFG) program to assist flood victims. At the present time, this program also has a general estimate of \$1,500,000. It is also expected that the storms have caused a substantial amount of unemployment not covered by the regular State program. Current estimates place the cost of the Disaster Unemployment Assistance program at about \$500,000. Though detailed damage assessment information is not available, it is estimated that SBA home loans could amount to about \$4 million. Business and commercial areas have received heavy damage throughout the affected area suggesting that there also will be a substantial number of SBA business loans. Current estimates place that total at about \$6 million.

PUBLIC ASSISTANCE

The aerial survey confirmed that many roads and bridges have been washed out throughout the affected area, in some cases isolating area residents. Damage also has been reported to utilities and water systems. One specific instance was in Santa Cruz County where the City of Nogales lost its water supply due to raw sewage in the river which provides the water source for the community. It also has been reported that soil erosion is significant and that debris is a major problem in some areas. The present rough estimate for public sector damage is \$20 million.

DISCUSSION

Though only a preliminary assessment has been completed, all indications are that this incident is clearly of major disaster proportions. Both private and public damage is significant. The State commitment listed in the Governor's letter of \$650,000, along with the 25 percent State share of IFG costs (which is a legal requirement), appears adequate in light of the resources already expended by the State due to the Colorado River flooding in late June. However, the earlier commitment does not excuse the State from the 25 percent of Public Assistance costs which are normally borne by the State and local governments. The Governor has requested 100 percent Federal funding for Public Assistance. No State has received 100 percent funding in over three years since a cost sharing arrangement was initially negotiated. Neither this incident, nor the condition of the State of Arizona, mandates a change in the cost-share approach. The Presidential declaration letter contains our standard language on this matter. It It is our intention to insist that the State and local share be stipulated in the FEMA-State Agreement for this disaster. That share also ensures a significant State commitment. In the event of a declaration, I intend to designate those requested counties eligible for either Individual and/or Public Assistance. These determinations will be made based on a more detailed assessment of the damage than is currently available.

CONCLUSIONS

- The commitment by the State of Arizona is adequate.
- The severity and magnitude of the situation are beyond the capabilities of the State and local governments.
- The incident warrants a major disaster declaration.

RECOMMENDATION

That the Governor's request be granted.

Director Federal Emergency Management Agency ۰.

Date:

Attachments: Declaration Letter Telegram to the Governor Notice to the Press Congressional Representation State Map Governor's Request MEMORANDUM

THE WHITE HOUSE

WASHINGTON

January 9, 1984

		11	
FOR:	FRED	r -	FIELDING

FROM: JOHN G. ROBERTS

SUBJECT:

Disaster Declaration for Texas --December, 1983 Severe Freezing Temperature Damage

James Jenkins' office asked us Saturday afternoon to review as soon as possible a request from Governor Mark White of Texas for Presidential declaration of a "major disaster," within the meaning of the Disaster Relief Act of 1974, Pub. L. No. 93-288, principally codified at 42 U.S.C. §§ 5122 et seq. The request relates to damage caused by severe freezing temperatures in December of last year.

White's original request dated December 30, 1983 was legally deficient and White was so advised by the Federal Emergency Management Agency. An appropriately revised request was received on January 5, 1984. Based on a review of the revised request and the related materials forwarded by FEMA, which recommends that the request be granted, the request appears to comply with the statutory requirements. "Severe freezing temperature" is not specifically mentioned as being within the meaning of "major disaster" in 42 U.S.C. § 5122(2) (unless considered encompassed by the word "storm"), but it is covered by the catch-all "other catastrophe." The request letter complies with § 301(b) of the Act, 42 U.S.C. § 5141(b), since it was sent by the Governor; includes a finding that effective response to the disaster is beyond the capabilities of the State and affected local governments; states that the State emergency plan has been implemented; and includes information on the extent and nature of State resources that will be committed to alleviate the disaster.

After reviewing this matter with Mr. Hauser, I advised Jenkins' office that we had no legal objection to proceeding with the disaster declaration. A memorandum for Darman memorializing this advice is attached for your review and signature.

Attachment

THE WHITE HOUSE

WASHINGTON

January 9, 1984

- FOR: RICHARD G. DARMAN ASSISTANT TO THE PRESIDENT AND DEPUTY TO THE CHIEF OF STAFF
- FROM: FRED F. FIELDING Orig. signed by FFF COUNSEL TO THE PRESIDENT
- SUBJECT: Disaster Declaration for Texas --December, 1983 Severe Freezing Temperature Damage

James Jenkins' office asked us on January 7, 1984 to review as soon as possible a request from Governor Mark White of Texas for Presidential declaration of a "major disaster," within the meaning of the Disaster Relief Act of 1974, Pub. L. No. 93-288.

Based on a review of the request and the related materials supplied by the Federal Emergency Management Agency, we concluded that the request complied with the statutory requirements for a major disaster declaration. We also noted no legal objection to the implementation materials prepared by FEMA in connection with this request. We orally advised Mr. Jenkins' office of our views on January 7.

cc: James E. Jenkins

FFF:JGR:ph 1/9/84 cc: FFFielding JGRoberts Subject Chron.

THE WHITE HOUSE

WASHINGTON

January 9, 1984

- FOR: RICHARD G. DARMAN ASSISTANT TO THE PRESIDENT AND DEPUTY TO THE CHIEF OF STAFF
- FROM: FRED F. FIELDING COUNSEL TO THE PRESIDENT
- SUBJECT: Disaster Declaration for Texas --December, 1983 Severe Freezing Temperature Damage

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Based on a review of the request and the related materials supplied by the Federal Emergency Management Agency, we concluded that the request complied with the statutory requirements for a major disaster declaration. We also noted no legal objection to the implementation materials prepared by FEMA in connection with this request. We orally advised Mr. Jenkins' office of our views on January 7.

cc: James E. Jenkins

Federal Emergency Management Agency



Washington, D.C. 20472

MEMORANDUM TO THE PRESIDENT

TEXAS

The recent cold wave imposed severe freezing temperatures in the southern portion of the State of Texas, causing a hard freeze and damaging the citrus fruit and vegetable crops. On December 30, 1983, Governor Mark White requested a majordisaster declaration for Cameron, Hidalgo, Starr and Willacy Counties. Since the request was incomplete and did not comply with the statutory requirement of the Disaster Relief Act of 1974, Public Law 93-288, the Governor was so advised. Also, FEMA regional personnel worked closely with State and local personnel in assessing damages, determining the requirement for Federal assistance, and advising State officials in the preparation of a proper request. A subsequent request was received on January 5, 1984, which complies with the law.

INDIVIDUAL ASSISTANCE

The only Individual Assistance program under PL 93-288 which has been requested is the Disaster Unemployment Assistance (DUA) program. The DUA program is funded by FEMA through the Department of Labor. It is administered by the same State office which administers the normal unemployment compensation program within the State. The purpose of the DUA program is to provide unemployment compensation to those individuals who have been idled as a result of a major disaster and who are not otherwise covered by the normal State program.

The Texas Employment Commission (TEC) estimates that 22,000 individuals have suffered loss of employment due to the severe freezing temperatures. While the majority of these will be eligible for normal unemployment compensation, TEC estimates that about 6,000 will not be eligible. Local officials of the U.S. Department of Labor generally concur with TEC estimates including an estimated 12- to 14-week period needed for recovery before the majority of individuals can return to work. The estimated cost of the DUA program is \$10.5 million.

Citrus growers in the area estimate that it will take at least 90 days to realize the full extent of the damage and to rehire the workers who are unemployed as a result of the freeze. The Governor's request also indicates the need for the disaster loan program of the Small Business Administration (SBA) and the emergency loan program of the Farmers Home Administration (FmHA). It is estimated that there are approximately 3,600 growers in the four counties. Based on initial surveys, SBA projects 1,400 growers applying for Econommic Injury loans and 2,300 growers applying for business loans under the SBA disaster loan program. While estimates are not yet available for economic injury loans, business loans are expected to total \$74 million. The FmHA emergency loan program may receive about 240 loan applications with a potential program cost of \$18 million.

In the event of a declaration, both the SBA and FmHA loan programs would be triggered in those areas designated eligible for Individual Assistance. However, either loan program can be made available without a major-disaster declaration, provided the criteria established by each agency is met.

PUBLIC ASSISTANCE

No assistance in the public sector has been requested at this time.

DISCUSSION

The effects of the severe freeze in the agricultural sector of the four counties is expected to have a staggering effect on the economy in this area. In addition to the crop losses, the resulting unemployment has exacerbated an already high unemployment situation. As indicated in the Governor's request, this area was affected by the Mexican Peso devaluation, which depressed business activity and increased unemployment.

The Department of Labor (DOL) has advised us that for the 1983 Fiscal Year, the unemployment figures for these counties were:

Percent	Number Unemployed
Cameron 16.1	14,000
Hidalgo 21.2	18,300
Starr 40.7	5,100
Willacy 15,4	929

Sufficient jobs are not available in these four counties to hire the 20,000 idled by this situation. Further, DOL advises that these workers, mostly migrants, would not be able to obtain work elsewhere at this time.

Based on all available data, there is a need for the DUA program under a major-disaster declaration, which cannot be addressed by other resources, either Federal or State and local.

CONCLUSIONS

* The severity and magnitude of the situation are beyond the effective response capabilities of the State and local governments.

° The situation warrants a major-disaster declaration.

 In the event of a declaration, I intend to designate Cameron, Hidalgo, Starr and Willacy Counties eligible for Individual Assistance. This would make available disaster unemployment assistance and trigger the loan programs of FmHA and SBA.

^o Any additional assistance under PL 93-288 can be provided, if requested and needed, based on the proposed declaration letter.

RECOMMENDATION

That the Governor's request be granted.

SIGNED

Director Federal Emergency Management Agency

Date: JAN 7 1984

Attachments: Declaration Letter Telegram to the Governor Notice to the Press Congressional Representation State Map Governor's Request

THE WHITE HOUSE WASHINGTON

Dear Mr. Giuffrida:

I have determined that the damages resulting from severe freezing temperatures in certain areas of the State of Texas beginning on or about December 22, 1983, are of sufficient severity and magnitude to warrant a major-disaster declaration under Public Law 93-288. I therefore declare that such a major disaster exists in the State of Texas.

In order to provide Federal assistance, you are hereby authorized to allocate, from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under PL 93-288 for Public Assistance will be limited to 75 percent of total eligible costs in the designated area.

Sincerely,

The Honorable Louis O. Giuffrida Director Federal Emergency Management Agency Washington, D.C. 20472

THE WHITE HOUSE

Honorable Mark White Governor of Texas State Capitol Austin, Texas 78711

As you requested, I have declared a major disaster for the State of Texas because of damage due to severe freezing temperatures beginning on or about December 22, 1983. I have authorized Federal relief and recovery assistance in the affected area.

Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under Public Law 93-288 for Public Assistance will be limited to 75 percent of total eligible costs in the designated area.

The Federal Emergency Management Agency (FEMA) will coordinate Federal assistance efforts and designate specific areas of the State eligible for such assistance. The Federal Coordinating Officer will be Mr. Gregory W. Solovey of the Federal Emergency Management Agency. He will consult with you and assist in the execution of the FEMA-State Disaster Assistance Agreement governing the expenditure of Federal funds.

Sincerely,

Ronald Reagan

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

NOTICE TO THE PRESS

The President today declared a major disaster for the State of Texas because of the impact of severe freezing temperatures on the State's agricultural industry, and the resultant unemployment in agriculture and related industries. The President's action will permit the use of Federal funds in relief and recovery efforts in designated areas of the State.

Federal assistance from the President's Disaster Relief Fund will consist primarily of disaster unemployment assistance payments to those who are unemployed as a result of the freezing conditions, low-interest rate disaster loan assistance from the Small Business Administration, and emergency loan assistance from the Farmers Home Administration.

Federal relief and recovery activities in Texas will be coordinated by the Federal Emergency Management Agency. FEMA immediately designated Cameron, Hidalgo, Starr and Willacy Counties eligible for Federal disaster assistance for individuals and families.

Mr. Gregory W. Solovey will be designated as the Federal Coordinating Officer to work with the State of Texas in providing Federal assistance under the Disaster Relief Act of 1974, Public Law 93-288.

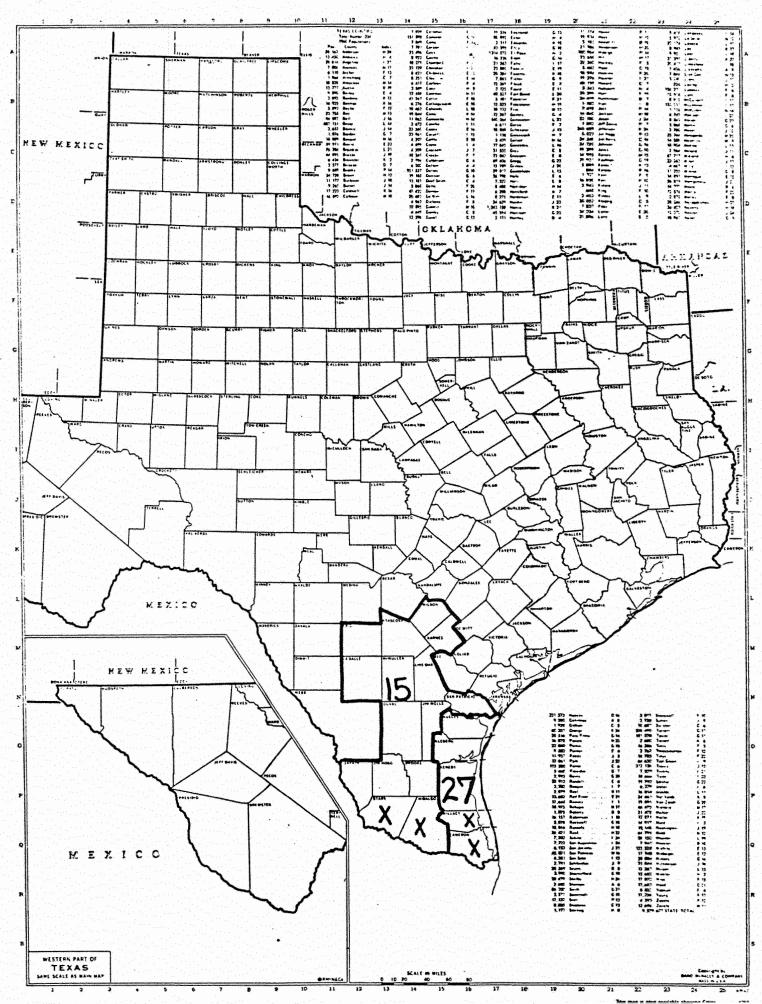
FOR FURTHER INFORMATION CONTACT: FEMA (202) 287-0300.

TEXAS REPRESENTATION

The Governor of Texas is: Mark White (D) Texas Senators are: John G. Tower (R) Lloyd Bentsen (D) Representing the Affected Area: E. (Kika) De La Garza (D) Solomon P. Ortiz (D) 15th District 27th District

For further information, contact FEMA at (202) 287-0400.

STATE COUNTY OUTLINE MAP



SIZE B1/2 x 11

OFFICE OF THE GOVERNOR STATE CAPITOL AUSTIN, TEXAS 70711

Mark White Governor

December 30, 1983

The President The White House Washington, D.C. 20500

Dear Mr. President:

Due to the severe disaster which has occurred in Texas with the continually freezing conditions in agricultural areas, I am requesting a Presidential Disaster Declaration.

All pertinent data will be forwarded to you as quickly as possible for your consideration. The purpose of this letter is to advise you that the weather conditions resulting in millions of dollars of loss to the Texas economy would appear to make such a declaration appropriate and needed.

My staff and local officials from severely hurt areas are working now to prepare the formal application materials as required by the Federal Emergency Management Agency. Specifically, I am requesting the designation for Willacy, Cameron, Starr, and Hidalgo Counties. Other Texas counties may be included in the request according to the data developed in the assessment process. In addition, we would appreciate your help in identifying other federal aid programs appropriate to our situation.

As we forward the information to you, please let me know if there is any further data required for this designation to be made.

Yours truly,

/signed/

Mark White Governor of Texas

MESSAGE SENT BY WESTERN UNION

(Called to Western Union 500-257-2241 at 1:05, 72: January 4, 1984)

Honorable Mark White Goversor of Texas State Capitol Austin, Texas 78711

This acknowledges receipt of your letter dated December 30, 1983 to the President requesting a declaration of a major disaster for the State of Texas as a result of continual freezing conditions in agricultural areas of south Texas.

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You stated that your steff and local officials from severely hurt areas are working to prepare the formal application materials required by FEMA and that all pertinent dats to support your request Will be forwarded to the President as quickly as possible.

Your letter also requested that you be informed if any further data are required. Your request must include the information listed in FEMA Regulations 44 CFR 205.33(c), which was published in the Federal Register of November 4, 1983.

We are maintaining close contact with your Texas Division of Emergency Management staff and are currently conducting a joint Faderal-State assessment of the affected areas to assist you in complying with appropriate requirements of Public Law 93-288 and its implementing Regulations.

All information pertaining to your request should be submitted to the President through the FEMA Region VI Regional Director to assure prompt acknowledgement and processing. Upon receipt of all required information, we will process your request immediately.

ame, E. Tile Vancha

Jerry D. Stephens Regional Director Federal Emergency Management Agency Region VI Denton, Texas



OFFICE OF THE GOVERNOR STATE CAPITOL AUSTIN, TEXAS 76711

January 2, 1984

THROUGH: Mr. Louis O. Giuffrida, Director Federal Emergency Management Agency 500 C Street, S.W. Washington, D. C. 20472

> Mr. Jerry Stephens, Regional Director Federal Emergency Management Agency Region VI Federal Regional Center Denton, Texas 76201

Dear Mr. President:

This letter follows my letter of December 30, 1983, and provides the necessary formal documentation.

Under the provisions of Section 301 (b), Public Law 93-288, as implemented by 44 CFR 205.41, I request that you declare a major disaster for Texas as a result of freezing temperatures which have occurred throughout the State. The citrus and vegetable crops have been completely destroyed in Starr, Cameron, Willacy and Hidalgo counties. A tremendous fish kill has occurred along the entire Texas coast. This disaster has left thousands unemployed and businesses in ruin. The impact on the Texas economy is unestimable at this time. Additional information on the impact of the disaster is given in the attachments to this letter.

The amount and severity of disaster-related damages is tremendous. Although the gathering of damage information is incomplete preliminary estimates are as follows:

Aquiculture	\$ 300,000,000
Agricultural	200,000,000
Public (Local Government)	10,000,000
TOTAL	\$ 510,000,000

As the result of the situation, I directed the execution of the State Emergency Management Plan on December 22, 1983. A state of emergency was declared by the above four counties, on December 22, 1983, and I issued a Proclamation declaring a state of disaster on January 2, 1984. I have also directed all appropriate actions under State law.

MARK WHITE

The President January 2, 1964 Page 2

I have determined that this incident is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that supplementary federal assistance is necessary. Preliminary estimates of the nature and extent of federal assistance needed under PL 93-288, as amended, are tabulated in Enclosures A and B. Estimated requirements for federal assistance from certain federal agencies under other statutory authorities are tabulated in Enclosure C.

The following information is furnished on the extent and nature of State resources which have been or will be used to alleviate the conditions of this disaster. The Texas National Guard made eight of its armories available to shelter families from the cold. Those armories are available as long as the local citizens need shelter. The Department of Community Affairs has initiated a program to provide over one million dollars for a temporary jobs program. The jobs will be for those left unemployed as a result of the weather and aimed at repair to housing. The Texas Employment Commission is moving temporary offices into the area to take applications for unemployment compensation from those who qualify. These agencies will continue their work as long as necessary. Other state personnel will be committed to administer recovery programs.

The Texas Disaster Act provides for a Comprehensive Emergency Management program which is on-going and needs no further actions by the State Legislature to be implemented.

I am specifically requesting the assistance of the Department of Labor for Disaster Unemployment Assistance, the Small Business Administration and Farmers Home Administration for emergency loans. Although this request is presently limited-to-the counties of Cameron, Hidalgo, Willacy and Starr, if the situation warrants and as more information is available, I may ask that other programs applicable or other counties be added or I may submit seperate requests to the Small Business Administration, and the Department of Agriculture, or other agencies for other programs.

Pursuant to Federal Emergency Management Agency regulations, I certify that the total expenditures and obligations for this major disaster for which no federal reimbursement will be requested are expected to exceed \$2,000,000 in accordance with the table in Enclosure D.

I have designated Wesley M. Anders as the State Coordinating Officer for this request. He will work with the Federal Emergency Management Agency in

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The President January 2, 1964 Page 3

damage assessments and may provide further information or justification on my benefit As surveys are completed in other affected counties, we will submit additional requests and information to your appointed Federal Coordinating Officer.

متعتف الجراشد أبور ليوتو

Yours Truly,

Mark White Governor of Texas

The Fresident The White House Washington, D. C. 20402

Enclosures

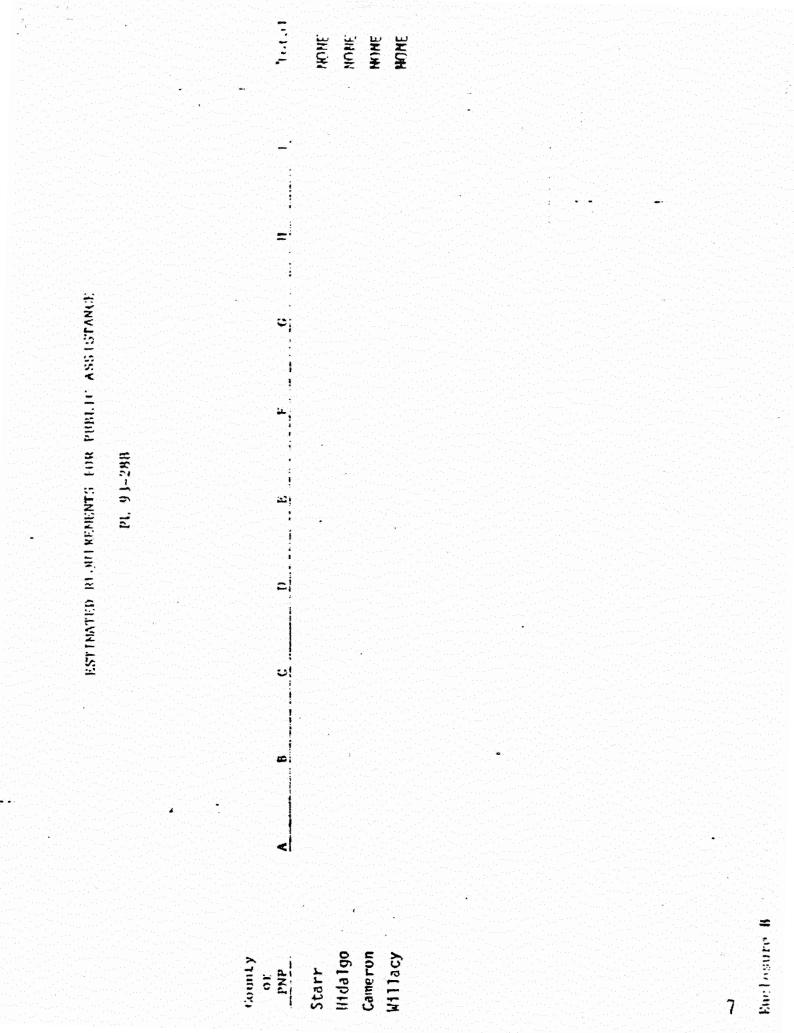
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ESTIMATED REQUIREMENTS FOR INDIVIDUAL ASSISTANCE

PL 93-288

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County	DUA
Starr	430
Hidalgo	5,000
Cameron	430
Nillacy	<u>_140</u>
	6,000 x \$135/week for 13 weeks = \$10,530,000



ESTIMATED REQUIREMENTS FOR OTHER FEDERAL AGENCY PROGRAMS

County	SBA* Economic Injury Disaster Loans	FmHA Loans
Starr		50
Cameron		40
Hida 1go		100
WIllacy		50
TOTALS	1,400*	240

*SBA estimates that 40% of the 3,500 growers will make application for loans. This includes all four counties.

GOVERNOR S CERTIFICATION

interity that for this curtent disaster. State and local government expenintutes and obligations, will constitute a reasonable abount of the funds of such State and local governments for alleviating the damage, loss, hardship or suftering resulting from such disaster. As stated in my basic letter, and based on internation available at this time, tabulation of these estimated total expenditures and obligations, for which no federal reimpursement will be requested, tellows:

		ADOULIT		
Category of Assis	tance	State	<u>Loca</u> 1	
ndividual Assistance:				
Housing Individual & Fami Mass Care	ly Grants	S	\$	
other (specify) J	ebs program Total	2,000,000		
		2,000,000		
Public Assistance:				
Category A - Debr	is Clearance			
Category B - Frot				
Category C - Road		50.000		
	r Control Facilities			
· · · · · · · · · · · · · · · · · · ·	ic Buildings and Related quipment			
Category F - Publ	ic Utilities		500.000	
Category G - Faci	lities under Construction	1		
	ate, Nonprofit Facilities			
Category I - Othe	r (not in above categorie	:s)		
	Total	s	s500,000	
)ther:	Total	s50,000	\$	
	Grand Total	\$ 2,050,000	s 500,000	

JOVERNOR OF THE STATE OF TEXAS

., MARK WHITE, GOVERNOR OF TEXAS, DO HEREEY CERTIFY THAT ABNORMALLY SEVERE FREEZING TEMPERATURES HAVE CAUSED A DISASTER ALONG THE TEXAS COAST AND PORTIONS OF STATE DISASTER DISTRICTS STA, JA, 2A AND SZA. THE FREEZING TEMPERATURES OCCURRED DURING THE PERIOD DECEMBER 22 TO DECEMBER 26, 1983.

THEREFORE, IN ACCORDANCE WITH THE AUTHORITY VESTED IN ME BY SECTION 5(D) OF THE TEXAS DISASTER ACT OF 1975, 1 DO HEREBY FROCLAIM THE EXISTENCE OF SUCH DISASTER AND DIRECT THAT ALL NECESSARY MEASURES BOTH PUBLIC AND PRIVATE AS AUTHORIZED UNDER SECTION 5(E) OF THE ACT BE IMPLEMENTED TO MEET THAT DISASTER.

As provided in Section 5(g) all rules and regulations that MAY INHIBIT OR PREVENT PROMPT RESPONSE TO THIS DISASTER ARE SUSPENDED FOR THE DURATION OF THE INCIDENT,

IN ACCORDANCE WITH THE STATUTORY REQUIREMENTS, COPIES OF THIS PROCLAMATION SHALL BE FILED WITH THE APPLICABLE AUTHORITIES.



GOVERNOR OF TEXAS

First is the Office of Secretary of State

JAN -3 1984

SUPPLEMENTAL INFORMATION

The Lower Rio Grande Valley of Texas has an economy that is largely based on three industries - tourism, citrus and vegetable farming and retail trade with Mexican nationals. 1962 was a devastating year for the retail trade sector as devaluations in the Mexican peso sharply curtailed retail trade with Mexico. Unemployment in this region reached 25% during the last half of 1962 and the first half of 1983. As recently as September the unemployment rate was over 25.1% for Hidalgo County. Employment picked up throughout the fall due to increased activity in the retail and manufacturing trades and the unemployment rate for Hidalgo County was down to 18.4% in November. Even with these improvements, the Lower Rio Grande Valley had one of the highests rates of unemployment in the nation. And now, the recent severe freeze will cost South Texas thousands of jobs and over \$300 million in economic losses. The severest hit is Hidalgo, Starr, Willacy and Cameron counties.

The impact of the employment picture is staggering. A survey of employers by the Texas Employment Commission shows that a total of 21,981 individuals were employed in the four counties in the following eight job categories.

> Citrus fruit farming General farming, crops Crop preparation/service for market (except cotton gins) Yegetables/melons Farm labor contractors/crew leaders Farm management services Canned/preserved fruit and vegetables Wholesale distribution of fresh fruit and vegetables

Of this 21,981, some 6,000 fall into the category of not covered by state unemployment insurance.

With virtually the entire fruit and vegetable crop destroyed, the outlook for work for these workers is not good. Nearly all are in the lower income group with no resources to carry them through. Since most other growing areas have also been adversely affected these workers cannot migrate to other work. Additionally, the affects of this disaster are not just for the short term. Although the full extent of the tree damage is not yet known, the affect is certainly a reduced crop next year and possibly no krop. With severe thee damage it may be three years before a profitable krop is realized. Experts already have estimated at least a five ton loss per akre in sugar cane next year. That equates to nearly \$3 million loss next year on top of \$<u>17 million</u> loss this year. The kitrus krop loss at the grower level is estimated at \$99.1 million as shown at Tab 1.

Besides the fruit and vegetable losses, other areas of the state have been hard hit. The Texas Parks and Wildlife Department has estimated that fish kill along the coastal bend area will exceed any other severe experienced. The impact of that loss will only add to the problems.

The numbers of people unemployed and the estimated losses for the growers are the two very evident reflections of the disaster. What is not so evident is the affect these losses have in virtually every other business and government. The income in every business will fall, tax revenues will fall, maintenance will be delayed and municipal workers may be cut back. The Texas Comptroller estimates over \$6 million loss in tax revenues, to include sales tax. A computer model was used to make an educated analysis of the overall economic loss. That analysis is attached at Tab 1.

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ESTIMATED ECONOMIC LOSS RID GRANDE VALLEY FREEZE

SUMMARY

Direct Impact

The value of destroyed crops, those that cannot be salvaged is <u>\$99.1 million</u> at farm-level prices, \$130.2 million at wholesale prices. Major crops are grapefruit, oranges and vegetables.

Crop Loss Impact

The indirect impact upon the Valley's economy will include loss of farm revenue and payments to laborers, farm equipment dealers, retailers, wholesalers and service establishments throughout the area. The effect of the farm production loss will be multiplied because of business trading relationships. Estimates of total impact, including the loss of potential crops are:

- . \$247.5 million decline in business activity, all sectors
- . \$118.3 million loss in potential income to persons
- . \$17.4 million loss in federal revenue
- . 2.3 million loss in State revenue
- . 4.64 million loss in local revenue
- . A total of 6486 full-time equivalent jobs

Decline in Food Procesing Output

With less fruit and vegetables available as raw material than in previous years, the region's food processors could decrease gross outputs of processed juices and canned or frozen vegetables by an estimated \$198.2 million. This direct impact on food processing then is associated with areawide declines in the economy as follows:

- . S570.6 million in general business activity
- . \$77.5 million in personal income
- . 527.3 million in Federal revenue
- . 3.2 million in State revenue
- . 6.0 million in local revenue
- . A total of 5810 full-time equivalent jobs

1/4/84

Estimated Proponic Lons --

Rio Gramie Valley Freeze

The late December Severe cold which spread into the farm producing region in the Lower Rio Grande Valley resulted in damage to this season's citrus and vegetable crops. There was also some adverse effect on the fishing industry. Using data and information from sources closely associated with the agriculture sector of the region, the following estimates are made for the direct and indirect losses.

Estimating Process

Actual crop damage totals are not known at present. U.S. Department of Agriculture damage surveys should be completed within the first part of January 1984. These data will provide the basis for determining the direct dollar value of loss from field surveys. The amount of Salvaged crops, mainly through juicing operations, will not be known for several days, and perhaps weeks. However, current estimates from regional sources are available.

Without benefit of the official damage data, the magnitude of loss can be estimated by consulting crop forecasts for this season. These data are usually within five percent of complete accuracy. The direct loss to farmers is the field value of the crop at the time of freeze, a loss of potential farm income which would have been realized, given the current season forecasts. The actual, realized loss must also account for the salwage value of remaining useable fruit. The juicing of damaged fruit can be used to return some of the crop value to producers, although at substantially lower prices per unit of production.

Prices for citrus, vegetables and other crops in the area vary widely from season to season and even week to week. - For this estimate average prices

11

were used which were prevailing around mid-Decmeber, 1953 tefore the freeze. Acreages of destroyed vegetables and amounts of damaged fruit were obtained from representatives in the area closely associated with the farming operations.

To determine the indirect economic impacts, only the farm value of crops were used. Thus production costs which already had been spent before the freeze were not included in calculating the indirect impacts of foregone production. A positive regional return results from farmers' operations, such as purchase of custom labor, machinery, marketing and transportation. Those activities which were not realized due to the destruction of crop are the ones which determine the size of logs of direct and indirect potential incomes.

Estimated Direct Loss

The freeze occurred during harvesting periods for some crops, such as Early oranges and during various phases of the crop cycle for other crops. For vegetables many production costs had already been paid. For citrus some costs were being incurred.

For all crops in general, about 70 percent were unharvested. For vecetables about 15 percent were harvested. All of the Valencia oranges were still in the field, 78.5 percent of grapefruit, and 55 percent of the Farly oranges.

Vegetables: About 40 percent of the remaining vegetable crop was lost. The estimated wholesale value of the crops was \$180 million. About 15 percent of the crops were harvested by the time of freeze. The <u>wholesale value</u> of the destroyed vegetables was \$61.2 million.

15

The <u>field value</u> of destroyed crope, using season average prices, was \$58.6 million. Analysis of vegetable crop cycles shows that about \$17.3 million of farm production expenses had been paid by the time of freeze. These sunk costs cannot be recovered. The foregone production expenditures, which farmers would normally be incurring from the time of freeze through harvest and marketing are \$45.3 million.

Grapefruit: The forecast for this season's grapefruit production was 11.5 million boxes. The freeze damaged an estimated 9.0 million boxes, the rest had already been harvested. Usually, 65 percent of the grapefruit crop is sold to fresh markets, the rest is processed. The wholesale value of the damaged crop is an estimated \$47 million. Area canners have calculated canning capacity and found that about \$2.4 million of grapefruit can be juiced. This amount is returns to the producers, thus the net wholesale value is \$44.6 million in damage loss.

The field, or tree value of grapefruit is difficult to determine because of variability in price according to quality and final use (juice or fresh) of the crop. Using an average price of \$4.50 per box for fresh market and \$30 a ton for the processed market, the tree value of the crop, pre-freeze, is \$30.4 million.

Early Dranges: At the time of freeze, Early oranges were about 45 percent harvested. The 55 percent of the season's crop remaining in the field was valued at \$20.7 million. Normally, 50 percent of a crop is juiced, thus \$10.35 million of Early oranges was not lost in any event, since it was to be juiced at that time. The rest, destined for fresh market, will now have to be juiced, at a lower price than would have been received under normal season-14 al conditions. About 1.9 million boxes will be juiced. After recovering the salvage of part of the crop which is unexpectedly juiced the net loss in wholesale value to producers is \$4.6 million.

The tree value of Early brances is estimated at an average price of \$4.7, considering the proportions used for juice and for fresh market. Thus, total value of the forecasted Early brance crop at farm gate prices was \$16.45 million. The net value, after salvage of the damaged and unsalvageable crop is \$3.6 million.

Valencia oranges: Area reports show extensive damage to the green valencia orange crop so that an assumption of total destruction can be made for estimating purposes (an indeterminate amount will be salvaged for mixing with juice processing, but it is small). The forecasted quantity for this season was 1.8 million boxes. The wholesale value is \$16.8 million.

The tree value at an assumed weighted average price of \$4.95 per box is \$8.9 million.

Sugarcane: The sugarcane crop was damaged, according to local growers' association estimates, by \$15 million. Unlike the other crops, however surgarcane can still be harvested. The loss is due to a lowered sugar content of the cane. Since most of the cane itself is salvageable there will be little indirect negative effect from the yield loss. Harvesting will occur as normal, marketing will continue and returns to producers will be forthcoming. Thus sugarcane loss will not be factored into indirect effect calculations.

Summary of Crop Damage Estimates

The following data show the estimates of crop damage, according to the value of damaged crop, accounting for salvage value, at the two stages of marketing:

17

	Net Value in the Field	Wholesale Net Value
	anoillim)	of dollars'
Grapefruit	28.0	44.6
Early Oranges	3.6	4.5
Valencia Oranges	8.9	<u></u>
Citrus Total	40.5	69.0
Vegetables	58.6	<u>61.2</u>
Total, All Major Crops	s 99.1	130.2

Fishing Industry

The direct loss to the fishing industry has been estimated by the Texas Parks and Wildlife Department. Current samples being taken in the Lower Laguna Madre by Department Dersonnel are averaging a 95 percent kill to the Black Drum species. Preliminary estimates of damage to the bay fishing translates into a <u>\$250 thousand</u> loss of revenue to the area's connercial fishing industry. This estimate is likely to increase as the fish kill count progresses.

Additionally, severe weather conditions interrupted the normal visitation pattern of sport fishermen to the area resulting in an estimated loss of one million dollars to the businesses that support the recreation fishing industry. Currently, the fishing industries of the area have experienced a total loss of revenue estimated at <u>\$1.25 million</u>.

\$250 thousand for commercial fishing \$1.25 million for sport fishing Indirect Economic Impacts

Crop damage is the overriding source of hedative impact throughout the region. Crops destroyed by the freeze cannot be sold in this season's market. This loss in income opportunity for area producers and processors will result in a general economic decline in business sectors associated with the farm sector. Moreover, the loss in personal incomes throughout the Lower Rio Grande Valley region will cause, through the process of successive negative - impacts, some measure of economic loss to practically all sectors.

The measurement of the indirect effects accounts for the known trading ties between types of businesses. In the region agriculture is a major economic sector. Thus any decline will adversely affect the region in multiples of the direct loss to farming.

The following data are estimates of the total loss, based on farm level damage estimates, which also account for salvage returns and for the amount of farm activity which would have occurred this season if the freeze had not happened. The indirect impact estimates are derived from the State's Input-Output Model maintained by the Department of Water Resources. Significant changes in the data for direct damage will alter these results.

> Summary Table Associated Total Economic Loss (Direct and Indirect). Prom Farm Crop Damage Due to the December, 1983 Freeze in the Lower Rio Grande Valley

Direct Farm Loss	: All Business : Activity (Output)	: Income to : Persons	: Government : : Revenue Decline : : Fed :State:Local:	(Pull-Time
99.1	(Mi 247.5	i	17.4 2.3 4.7	6486

Le

The effect on food processing could be severe due to the loss of raw foodstuffs for processing. The analysis shows that raw material inputs to the food plants associated with the direct farm value, 590.1 million, accounts for a total gross value of food processed, on average for Texas of \$198.2 million a year. This amount, a decline in output, has the following economic impact, mostly with the region.

Summary Table

Potential Effects on the Economy of the Lower Rio Grande Valley of a Decline in Pood Processing Output

	:	Decline in	:	Decline in	:	Government :	Affected Jobs
Direct						Revenue Decline :	
Decline	1	Activity	:	Persons	;	Fed :State:Local:	Equivalent)
		(Milli	ns	of collars		(1	Person-years of labor
198.2		570.6		97.5		27.3 3.2 6.0	5810

Note: These impacts cannot be directly added to farm impact locses.

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MESSAGE SENT BY WESTERN UNION

(Called to Western Union, Op.#345 800-247-2241 at 4:20 p.m. January 5, 1984)

Honorable Mark White
Governor of Texas
State Capitol
Austin, Texas 78711

This acknowledges receipt of your letter and attachments dated January 2, 1984, to the President requesting a declaration of a major disaster for the State of Texas as a result of continual freezing conditions in agricultural areas of South Texas. Your letter, with attachments, was hand-carried and delivered to this office at 2:30 p.m., January 5, 1984, by a member of your staff.

We are prepared to process your request immediately.

You will be notified as soon as a determination is made in this matter.____

1

Jerry D. Stephens Regional Director Federal Emergency Management Agency Region VI Denton, Texas

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

January 9, 1984

The President has declared a major disaster for the State of Texas because of the impact of severe freezing temperatures on the State's agricultural industry, and the resultant unemployment in agriculture and related industries. The President's action will permit the use of Federal funds in relief and recovery efforts in designated areas of the State.

Federal assistance from the President's Disaster Relief Fund will consist primarily of disaster unemployment assistance payments to those who are unemployed as a result of the freezing conditions, low-interest rate disaster loan assistance from the Small Business Administration, and emergency loan assistance from the Farmers Home Administration.

Federal relief and recovery activities in Texas will be coordinated by the Federal Emergency Management Agency. FEMA immediately designated Cameron, Hidalgo, Starr and Willacy Counties eligible for Federal disaster assistance for individuals and families.

Mr. Gregory W. Solovey will be designated as the Federal Coordinating Officer to work with the State of Texas in providing Federal assistance under the Disaster Relief Act of 1974, Public Law 93-288.

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FOR FURTHER INFORMATION CONTACT: FEMA (202) 287-0300