

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 16, 2007

TO: Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2694 by Hamilton (Relating to the disaster contingency fund.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2694, As Engrossed: an impact of \$0 through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>DISASTER CONTINGENCY ACCT</i> 453
2008	(\$107,160)
2009	\$0
2010	\$0
2011	\$0
2012	\$0

Fiscal Analysis

The bill permits state agencies and local governments to request funding from the Disaster Contingency Fund to pay for costs incurred in implementing preventive emergency measures and costs incurred in repairing damage suffered during a disaster.

Methodology

The current balance in the Disaster Contingency Fund is \$107,160. This analysis assumes that an emergency in fiscal year 2008 would require the expenditure of the account balance. Therefore, the cost to the state is estimated at \$107,160 from the General Revenue-dedicated Disaster Contingency account for the 2008-09 biennium.

The bill requires the Governor's Division of Emergency Management to administer the fund and develop and implement rules and procedures for providing emergency assistance from the fund. Currently, border law enforcement operations are under command and control of the DPS director. The Division of Emergency Management indicates there would be costs due to increased workload, but it is assumed the costs could be absorbed within the agency's current appropriations and therefore would not result in a significant fiscal impact to the state.

Local Government Impact

The number and amount of distributions from the disaster contingency fund to an eligible local government would depend on the amount of money in the fund, the number of declared disasters in the state in any given fiscal year, and the number of applications for assistance made to the fund.

Source Agencies: 301 Office of the Governor, 405 Department of Public Safety

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