

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Hamilton

H.B. No. 2694

A BILL TO BE ENTITLED

AN ACT

relating to the disaster contingency fund.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 418.073, Government Code, is amended by amending Subsection (b) and adding Subsections (c) and (d) to read as follows:

(b) ~~[If the governor finds that the demands placed on funds regularly appropriated to state and local agencies are unreasonably great for coping with a particular disaster, the governor with the concurrence of the disaster emergency funding board may make funds available from the disaster contingency fund.]~~ It is the intent of the legislature that in responding to an emergency or disaster, the first recourse of state and local agencies should be to the funds regularly appropriated to those ~~[state and local]~~ agencies.

(c) A state agency, local government, or other eligible entity may request funding from the disaster contingency fund to pay for:

(1) extraordinary costs incurred in implementing preventive measures taken before or during an emergency; and

(2) costs incurred in repairing damage suffered during a disaster for which:

(A) the presiding officer of a municipal or county government has declared a local state of disaster for affected areas within the jurisdiction of the municipality or

1 county;

2 (B) the governor has also declared a state of  
3 disaster for the affected county or counties; and

4 (C) the federal government has not issued an  
5 emergency or disaster declaration for the affected area that would  
6 activate federal emergency assistance.

7 (d) The governor's division of emergency management shall  
8 administer the disaster contingency fund and shall develop and  
9 implement rules and procedures for providing emergency assistance  
10 from the fund.

11 SECTION 2. This Act takes effect immediately if it receives  
12 a vote of two-thirds of all the members elected to each house, as  
13 provided by Section 39, Article III, Texas Constitution. If this  
14 Act does not receive the vote necessary for immediate effect, this  
15 Act takes effect September 1, 2007.

FLOOR AMENDMENT NO. 1

BY: *K. Fitzgerald*

1 Amend H.B. No. 2694 (senate committee printing) as follows:

2 (1) In SECTION 1 of the bill, in added Subsection  
3 (c)(2)(A), Government Code (page 1, line 32), strike "i;" and  
4 substitute "; and".

5 (2) In SECTION 1 of the bill, in added Subsection  
6 (c)(2)(B), Government Code (page 1, line 34), strike "; and" and  
7 substitute an underlined period.

8 (3) In SECTION 1 of the bill, strike added Subsection  
9 (c)(2)(C), Government Code (page 1, lines 35-37).

**ADOPTED**

MAY 21 2007

*Arlene Spaw*  
Secretary of the Senate

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**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

**LBB Staff:** JOB, ES, SMi, KJG

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

TO: Honorable Frank Corte, Jr., Chair, House Committee on Defense Affairs & State-Federal Relations

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

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

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

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