

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 15, 2009

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

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

IN RE: HB2457 by Eiland (Relating to the duty of the General Land Office to clean, maintain, and clear debris from a public beach affected by a declared disaster.), **As Engrossed**

Depending on the number and intensity of disasters affecting coastal areas, the amount of debris removed by the state, and the Federal Emergency Management Agency reimbursement rates and schedules, the bill's passage could result in an undeterminable cost to the state.

The bill would require that the General Land Office (GLO), rather than the applicable city or county in which a beach is located, clean, maintain, and clear debris from a public beach that is located in an area designated as a threatened area in a declaration of a state of disaster. The duty of the GLO would be limited to debris related to the event that is the subject of the disaster declaration.

In some cases, debris removal in the event of a hurricane could ultimately be reimbursed by the Federal Emergency Management Agency (FEMA) at a 100 percent rate, so that any costs affected by the bill would only be cash flow issues, with the state eventually being reimbursed by FEMA, rather than the local governments, at some point in the future. In the case of a large disaster, such as Hurricane Ike, this could result in some costs to the state in a given biennium not being reimbursed by FEMA, until a future biennium. In other cases where FEMA would reimburse at a rate less than 100 percent or when a federal disaster declaration is not declared but a state disaster is declared, the cost to the state would depend upon the number and intensity of disasters affecting Texas coasts, the population density of the areas affected by the disaster, the amount of debris removed, and the reimbursement rate and the time frame for FEMA to reimburse the state.

Local Government Impact

Local governments that would otherwise pay up-front costs of debris removal could realize a savings in future cleanup costs as a result of the bill's passage. The savings would depend upon the size of the disaster and the amount of debris removal costs covered by the state.

Source Agencies: 305 General Land Office and Veterans' Land Board

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