

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 27, 2015

TO: Honorable Eddie Lucio Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1376 by Lucio (Relating to natural disaster housing recovery.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to natural disaster housing recovery. It would require the Governor to designate a state agency to receive and administer federal and state funds appropriated for long-term natural disaster recovery and work with the Texas Department of Emergency Management (TDEM) and the Federal Emergency Management Agency (FEMA) to secure reimbursement for housing needs in areas affected by natural disasters. Additionally, the bill would require the designated state agency to maintain a staff and administrative support to carry out the agency's duties related to long-term natural disaster recovery.

The bill would also require the Hazard Reduction and Recovery Center at Texas A&M University to review and certify local housing recovery plans submitted by units of local government. The bill establishes certain criteria for approving the local housing recovery plans. Under provisions of the bill, approved local housing recovery plans would be submitted to the designated state agency and the Governor for approval.

Both the Office of the Governor and the Texas A&M University System Administrative and General Offices responded they could implement the provisions of the bill within existing resources.

Currently, TDEM administers local disaster grants funded from FEMA as an existing function. Additionally, the General Land Office (GLO) currently distributes disaster-related Community Development Block Grant funding from the United States Department of Housing and Urban Development (HUD).

This estimate assumes there would be associated costs to the agency selected to maintain a staff and provide administrative support to carry out duties related to long-term natural disaster recovery. This estimate assumes if TDEM were the designated agency, that it would be able to implement the provisions of the bill within existing resources.

Based on information provided by GLO, if GLO were the agency designated by the Governor, GLO has funding in place through the 2016-17 biennium from existing federal grants from previous natural disasters to implement the provisions of the bill. According to GLO, beginning in fiscal year 2018 the agency would need an additional 13.0 FTEs and associated administrative expenses of \$1,169,576 each fiscal year.

Local Government Impact

There would be cost to a local government to develop and adopt a local housing recovery plan; however, fiscal impact would vary depending on the local government's resources and number of plans developed and cannot be determined at this time.

Source Agencies: 301 Office of the Governor, 305 General Land Office and Veterans' Land Board, 332 Department of Housing and Community Affairs, 405 Department of Public Safety, 710 Texas A&M University System Administrative and General Offices

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