

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 9, 2017**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Finance

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: SB351** by Watson (Relating to the creation and administration of a disaster recovery fund.), **As Introduced**

**Due to the uncertainty about the number of disasters, the number of applications, and the extent to which the state would be reimbursed for funds granted to local entities under the terms of the legislation, the fiscal implications of this legislation are indeterminate.**

This bill would amend the Government Code to create the Disaster Recovery Fund, an account in the General Revenue Fund to be administered by the Emergency Management Division of the Texas Department of Public Safety, to award grants to assist in the payment of certain costs incurred by a state or local governmental entity or a volunteer fire department that participates in disaster recovery in an area where the Governor declared a state of disaster. The Fund would consist of money credited, appropriated, or transferred to the fund by the legislature, federal funds credited, appropriated or transferred to the fund, and gifts, grants and donations. It is assumed that DPS could administer the program within current resources.

This bill would take effect immediately upon a two-thirds vote of all members of both chambers; otherwise, the bill would take effect September 1, 2017.

**Local Government Impact**

The impact to local governments would be positive, and dependent on the location of a disaster, the extent to which they received grants under the bill, and whether the award was subject to repayment. To the extent a local entity received an award, it would assist the entity in making any required match for a Federal Emergency Management Agency project (which often require a 25% non-Federal match), address costs associated with public damage, and reimburse costs associated with compensation outside the normal scope of employee's duties.

**Source Agencies:** 304 Comptroller of Public Accounts, 405 Department of Public Safety

**LBB Staff:** UP, KK, AI, JAW