

## **BILL ANALYSIS**

Senate Research Center  
86R 21941 JG-D

C.S.S.B. 289  
By: Lucio  
Intergovernmental Relations  
3/27/2019  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

During the 85th Legislative Interim, the Senate Committee on Intergovernmental Relations (IGR) was charged with examining and reporting on ways to improve the coordination of rebuilding housing and infrastructure following a natural disaster. The IGR Committee heard from state, county, and local officials on how the state's recovery efforts could be strengthened and improved, especially by instituting provisions that would encourage communities to plan (before any disaster event occurs) on how they would undertake local reconstruction efforts.

S.B. 289 seeks to build on lessons learned by following through with IGR's recommendations and setting up provisions relating to disaster reconstruction. In so doing, S.B. 289 builds on the strengths and resources of key state agencies (such as Texas A&M's Hazard Reduction and Recovery Center, and the Texas General Land Office) while improving publicly administered disaster recovery programs. S.B. 289 sets up the framework to assist in reducing the period of time disaster survivors are out of their homes, maximizing local control over disaster reconstruction, and reducing the cost of recovery to homeowners and taxpayers.

Overall, S.B. 289 enhances coordination, skills, and preparedness to undertake local disasters recovery programs for housing by state and local government agencies, and other interested parties.

C.S.S.B 289 amends current law relating to housing disaster recovery by limiting the permissive pre-planning and assistance to certain local units of governments; allowing for periodic reviews of plans; allowing the Texas General Land Office to request revisions and updates of plans and limiting how the number of plans reviewed annually; and addressing fiscal implications with the fiscal responsibility amendment.

C.S.S.B. 289 amends current law relating to disaster housing recovery.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas General Land Office in SECTION 1 (Section 418.132, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 418, Government Code, by adding Subchapter F-1, as follows:

#### **SUBCHAPTER F-1. DISASTER HOUSING RECOVERY**

Sec. 418.131. DEFINITIONS. Defines "center," "local government," and "plan."

Sec. 418.132. DUTIES OF GENERAL LAND OFFICE OR DESIGNATED STATE AGENCY. (a) Requires the Texas General Land Office (GLO), unless the governor designates a state agency under Subsection (d), to receive and administer federal and state funds appropriated for long-term disaster recovery.

(b) Requires GLO to:

(1) collaborate with the Texas Division of Emergency Management and the Federal Emergency Management Agency (FEMA) to secure reimbursement for housing needs in areas affected by disasters;

(2) seek prior approval from FEMA and the United States Department of Housing and Urban Development for the immediate post-disaster implementation of local housing recovery plans approved by the governor under Section 418.136; and

(3) maintain a division with adequate staffing and other administrative support to carry out GLO's duties relating to long-term disaster recovery.

(c) Authorizes GLO to adopt rules as necessary to implement GLO's duties under this subchapter.

(d) Authorizes the governor to designate a state agency to be responsible for long-term disaster recovery under this subchapter instead of GLO. Provides that if the governor designates a state agency under this subsection, a reference to GLO in this subchapter means the designated state agency.

Sec. 418.133. LOCAL HOUSING RECOVERY PLAN. (a) Authorizes a local government to develop and adopt a local housing recovery plan to provide for the rapid and efficient construction of permanent replacement housing following a disaster.

(b) Requires a local government, in developing the plan, to seek input from:

(1) stakeholders in the community, including residents, local businesses, and community-based organizations; and

(2) neighboring local governments.

(c) Authorizes a local government to submit a plan developed and adopted under Subsection (a) to the Hazard Reduction and Recovery Center at Texas A&M University (center) for certification.

Sec. 418.134. DUTIES OF HAZARD REDUCTION AND RECOVERY CENTER; PLAN CRITERIA AND CERTIFICATION. (a) Requires the center to review and certify plans submitted to the center by local governments.

(b) Requires the center to establish criteria for certifying a plan. Prohibits the center from certifying a plan unless the plan:

(1) identifies areas in the local government's boundaries that are vulnerable to disasters;

(2) identifies sources of post-disaster housing assistance and recovery funds;

(3) provides procedures for rapidly responding to a disaster, including procedures for:

(A) assessing and reporting housing damage, disaggregated by insured and uninsured losses, to the governor;

(B) providing fair and efficient access to disaster recovery assistance for residents;

(C) determining residents' eligibility for disaster recovery assistance;

(D) educating residents about the rebuilding process and providing outreach and case management services; and

(E) prequalifying and training local professionals needed for disaster recovery;

(4) allows for the temporary waiver or modification of an existing local code, ordinance, or regulation on an emergency basis that may apply in the event of a disaster declaration in order to expedite the process of providing temporary housing or rebuilding residential structures for persons displaced by a disaster;

(5) provides procedures to encourage residents to rebuild outside of the vulnerable areas identified under Subdivision (1);

(6) provides procedures to maximize the use of local businesses, contractors, and supplies to rebuild to the extent possible;

(7) provides procedures to maximize cost efficiency;

(8) provides for the provision of:

(A) temporary housing to displaced residents as soon as possible after the disaster, with a goal of providing the housing within six months following the disaster; and

(B) permanent replacement housing to displaced residents as soon as possible after the disaster, with a goal of providing the housing within three years following the disaster;

(9) specifies whether the local government that submitted a plan or GLO, as determined by GLO, will administer disaster rebuilding activities under the plan;

(10) provides a procedure through which the local government that submits the plan is required to, between every four to seven years:

(A) review the plan to ensure continued local community support;

(B) provide the center with, as necessary, revisions to the plan based on the review conducted under Paragraph (A); and

(C) provide the center with a resolution or proclamation adopted by the local government that certifies continued local community support for the plan; and

(11) complies with applicable state and federal law.

(c) Requires the center to identify the plan's deficiencies and assist the local government in revising the plan to meet the criteria if the center determines that a plan does not meet the criteria prescribed by Subsection (b).

(d) Requires the center to provide training to local governments and community based organizations on developing a plan. Requires a local government that submits a plan to the center for certification under this section to designate at least one representative to attend the center's training. Requires the training to include information relating to:

(1) previous experiences with housing recovery from disasters;

- (2) best practices for achieving rapid and efficient construction of permanent replacement housing;
- (3) federal and state laws and regulations on disaster recovery;
- (4) methods for identifying and planning for vulnerable areas and populations before a disaster; and
- (5) cost-effective land use and building practices.

(e) Requires the center to create and maintain mapping and data resources related to disaster recovery and planning, including the Texas Coastal Communities Planning Atlas.

(f) Requires the center to assist a local government on request in identifying areas that are vulnerable to disasters.

(g) Requires the center to provide recommendations to the Texas Department of Insurance regarding the development of policies, procedures, and education programs to enable the quick and efficient reporting and settling of housing claims related to disasters.

(h) Authorizes the center to seek and accept gifts, grants, donations, and other funds to assist the center in fulfilling its duties under this section.

Sec. 418.135. REVIEW OF LOCAL HOUSING RECOVERY PLAN BY GENERAL LAND OFFICE. (a) Requires the center to submit to GLO a plan certified by the center under Section 418.134.

(b) Requires GLO to review the plan and consult with the center and the local government about any potential improvements GLO may identify. Requires GLO, in reviewing the plan, to give deference to the local government regarding matters in the local government's discretion.

(c) Requires GLO, on completion of review, to accept the plan unless GLO determines that the plan does not:

- (1) satisfy the criteria for a certified plan under Section 418.134(b);
- (2) provide for the rapid and efficient construction of permanent replacement housing; or
- (3) comply with applicable state and federal law.

(d) Authorizes GLO, if GLO does not accept a plan under this section, to require the local government to revise and resubmit the plan.

(e) Authorizes GLO, at any point after GLO accepts a plan under this section, to withdraw acceptance of the plan and require the plan to be revised and resubmitted for acceptance under this section and approval or rejection by the governor under Section 418.136.

(f) Authorizes GLO to limit the number of plans it reviews annually under this section.

Sec. 418.136. APPROVAL BY GOVERNOR. (a) Requires GLO to submit to the governor for approval or rejection a plan that GLO accepts under Section 418.135.

(b) Requires the governor to provide to GLO a written explanation of the reasons for the rejection if the governor rejects a plan.

(c) Authorizes a local government, in consultation with the center and GLO, to revise a plan rejected by the governor under this section and resubmit the plan to the governor for approval.

Sec. 418.137. EFFECT OF APPROVAL. (a) Provides that a plan approved by the governor under Section 418.136, subject to Section 418.135(e), is valid for four years and is authorized to be implemented during that period without further approval if a disaster occurs.

(b) Authorizes the plan, in accordance with rules adopted by GLO, on or before expiration, to be reviewed by the center and GLO, updated if necessary, and resubmitted to the governor for approval or rejection.

SECTION 2. Requires GLO and the center, not later than January 1, 2021, to prepare and submit to the legislature a report that:

(1) summarizes the success of the planning process under Subchapter F-1, Chapter 418, Government Code, as added by this Act; and

(2) recommends any statutory or legislative changes necessary to improve the planning process, including whether to expand the number of local governments eligible to participate in the planning process.

SECTION 3. Provides that GLO or another state agency designated by the governor under Section 418.132, Government Code, as added by this Act, is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. Authorizes, but does not require, GLO or another state agency, to implement the provision using other appropriations available for that purpose, if the legislature does not appropriate money specifically for that purpose.

SECTION 4. Effective date: September 1, 2019.