

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 16, 2019

TO: Honorable Poncho Nevárez, Chair, House Committee on Homeland Security & Public Safety

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB34 by Raymond (Relating to a statewide disaster alert system.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB34, As Introduced: a negative impact of (\$13,985,426) through the biennium ending August 31, 2021.

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
2020	(\$7,939,291)
2021	(\$6,046,135)
2022	(\$6,046,135)
2023	(\$6,046,135)
2024	(\$6,046,135)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
2020	(\$7,939,291)
2021	(\$6,046,135)
2022	(\$6,046,135)
2023	(\$6,046,135)
2024	(\$6,046,135)

Fiscal Analysis

The bill amends statute to require the Texas Division of Emergency Management (TDEM) to develop a statewide alert system to be activated in the event of disaster. The bill requires TDEM to develop, implement, and maintain the system with certain capabilities, including: electronic

notification of events; information regarding the availability of certain amenities; and threat levels of certain disasters.

The bill takes effect immediately upon a two-thirds vote of each chamber; or September 1, 2019.

Methodology

According to the Department of Public Safety (DPS), the provisions of the bill would require significant staffing to develop and maintain a new disaster alert system, as no system currently exists. The cost to staff the new alert system is estimated to be \$1,280,053 for the 2020-21 biennium, which includes \$674,050 in fiscal year 2020, and \$606,00 for ongoing costs in fiscal year 2021 and future years.

DPS reports that in addition to staffing, a large technology component would be required to maintain the system. This analysis assumes the cost for disaster alert equipment and maintenance in fiscal year 2020 is \$6,632,994, including development costs. DPS estimates ongoing costs for licenses and expansion based on assumed population growth at \$5,000,000 for fiscal year 2021 and future years.

In total, the newly developed and implemented disaster alert system will cost an estimated \$7,939,291 for fiscal year 2020, and \$6,046,135 for fiscal year 2021 and future years.

Technology

DPS estimates its technology impact at \$1,238,781 in FY 2020 with ongoing maintenance costs of \$433,115 in FY 2021 and future years.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusteed Programs Within the Office of the Governor, 405 Department of Public Safety

LBB Staff: WP, LBO, AI, SMi, RP, RC