

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1376
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In the wake of Hurricanes Rita, Dolly and Ike, as well as the wildfires of 2011, the State of Texas received special congressional appropriations of Community Development Block Grant funds to assist families whose homes were destroyed and who lack the resources to rebuild their homes. For the last 10 years, the State of Texas has struggled after each disaster to react and develop the right program to undertake the necessary rebuilding of the homes of victims of such disasters.

Four clear issues have emerged following each disaster that Texas has faced over the last decade. First, it has taken four to eight years to carry out the rebuilding of the single-family homes assisted through the locally administered state-coordinated programs. Second, the program design and guidelines are regrettably created by the State of Texas anew following each disaster, which has extended the length of time it takes to assist homeowners. Third, the cost per home is now approaching \$150,000, and these relatively high costs mean that only a fraction of the Texans homeowners who lost their homes have been able to receive assistance with the limited funds available. Fourth, at least four different entities, including three state agencies, have attempted (with varying degrees of outcomes) to administer and coordinate the state's natural disaster reconstruction.

C.S.S.B. 1376 builds on the lessons learned over the last 10 years of disaster reconstruction. In so doing, it improves publicly administered disaster recovery programs by 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. The bill enhances coordination, skills, and preparedness to undertake local disaster recovery programs for housing by state and local government agencies, voluntary faith-based organizations, and charities. C.S.S.B. 1376 also assists state and local governmental jurisdictions to implement the recommendations of the Natural Disaster Housing Reconstruction Advisory Committee, which was commissioned with the passage of H.B. 2450 (Lucio), 81st Legislature, Regular Session, 2009.

Since the Texas General Land Office (GLO) has a successful and proven track record in administering the state and federal funds for natural disaster recovery, the committee substitute codifies this ongoing successful administration of these reconstruction recovery funds. C.S.S.B. 1376 makes the GLO the default agency to administer state and federal funds for natural disaster recovery; however, it allows the governor to appoint a different agency if he wishes to do so to undertake such duties.

C.S.S.B. 1376 amends current law relating to natural disaster housing recovery.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the 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. NATURAL 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 natural disaster recovery.

(b) Requires GLO to:

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

(2) seek prior approval from the Federal Emergency Management Agency 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 natural 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 natural disaster recovery under this subchapter instead of GLO. Provides that a reference to GLO in this subchapter, if the governor designates a state agency under this subsection, 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 natural 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 center for certification.

Sec. 418.134. DUTIES OF HAZARD REDUCTION AND RECOVERY CENTER; PLAN CRITERIA AND CERTIFICATION. (a) Requires the Hazard Reduction and Recovery Center at Texas A&M University (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 natural disasters;

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

(3) provides procedures for rapidly responding to a natural 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 natural disaster recovery assistance for residents;

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

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

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

(6) provides procedures to maximize cost efficiency;

(7) provides for the construction of permanent replacement housing for displaced residents as soon as possible after the natural disaster, with a goal of completion in not later than six months; and

(8) complies with applicable state and federal law.

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

(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 that the training include information relating to:

(1) previous experiences with housing recovery from natural disasters;

(2) best practices for achieving rapid and efficient construction of permanent replacement housing;

(3) federal and state laws and regulations on natural disaster recovery;

(4) methods for identifying and planning for vulnerable areas and populations before a natural disaster; and

(5) cost-effective land use and building practices.

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

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

(h) Provides that the center may 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 the 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.

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, if the governor rejects a plan, to provide a written explanation of the reasons for the rejection.

(c) Provides that a local government, in consultation with the center and GLO, may 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 is valid for four years and may be implemented during that period without further approval if a natural disaster occurs.

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

SECTION 2. Effective date: September 1, 2015.