

FOR IMMEDIATE RELEASE  
January 22, 2018  
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## **SEN. CHARLES PERRY FILES STATE FLOOD PLAN BILL AND \$1.2 BILLION FUNDING MECHANISM**

AUSTIN, TX –Today, State Sen. Charles Perry, Chairman of the Senate Committee on Water & Rural Affairs, filed SB 396, SB 397 and SJR 28 to create the first ever statewide flood plan and a way to fund flood mitigation projects. This comes after numerous committee hearings and meetings around Texas and in Washington, D.C. The meetings were with flood experts, community members and government officials at every level.

"We live in a big state, we've had big disasters and we need a big response to address flooding in Texas. If the legislature passes the first ever statewide flood plan, it will positively affect every community across Texas and save lives. This proposal ensures local communities and the State band together to develop a bottom-up planning approach to address flooding on a watershed basis," said Sen. Charles Perry.

Sen. Perry continued, "It is key to have flood plans developed within watersheds to ensure one community's plans do not inadvertently negatively impact a neighboring community."

"Communities also need assurances that projects in the State Flood Plan are going to become a reality and not just sit in a notebook on someone's shelf. If passed, a constitutional amendment will transfer \$1.2 billion from the State's Rainy Day Fund to help fund flood mitigation projects in the communities that need it most," said Sen. Perry.

**More information about SB 396, SB 397 and SJR 28 is below.**

### **Statewide Flood Plan (SB 396) Background**

#### **Timeline**

- September 1, 2021: TWDB completes the rule making process in coordination with federal, state, and local stakeholders, which includes:
  - the division of the state into regional flood planning groups based on watersheds; TWDB may determine that some areas can be included with others or that some should be divided based on mapping;

- process and timeline for regional flood planning groups to complete their flood plan;
- rules for the flood planning groups to follow; and
- the hiring of all TWDB staff needed for flood planning activities.
- January 1, 2023: Regional flood planning groups submit plans to TWDB for approval.
- September 1, 2024: TWDB completes the State Flood Plan

The State Flood Plan Legislation includes requirements for the plan:

- an evaluation of the condition of current flood control infrastructure;
- a ranked list of new and on-going projects or strategies;
- an analysis of completed, ongoing, and proposed projects from the previous plan (not applicable in the first plan);
- analysis of development in the 100-year floodplain areas; and
- legislative recommendations from the TWDB.

### **Regional Flood Planning Groups**

- Divided by watersheds and adopted by TWDB.
- Representation by county of which each has one vote.
- Requirements by the counties to work with local officials for input on the regional flood plan.
- River Authorities will manage the administrative tasks associated with coordinating meetings.

### **Ten Year Earthen Dam Repair and Maintenance Plan**

The Texas State Soil and Water Conservation Board (TSSWCB) has created a ten year plan to rehabilitate and maintain earthen dams which have become high hazard dams. There are 2,041 earthen dam structures currently in the state and 488 have been upgraded to high hazard from a low or medium hazard rating.

### **Oversight Committee**

The State Flood Plan Legislation creates an oversight committee to monitor the implementation.

### **Flooding Background in Texas**

Texas experienced the devastating effects from Hurricane Harvey in 2017 and several large scale floods in 2015. According to the National Oceanic and Atmospheric Administration (NOAA), there have been over 1,100 flood events in the state since 2000 accounting for 1,175 direct and indirect deaths, over \$800 million in damage, \$458 million in damage to crops, of which none includes hurricane related damages or flash flood events.

Hurricane Harvey made landfall as a Category 4 hurricane on August 25, 2017. According to NOAA, the storm produced 60 inch record rainfall totals while widespread areas in southeast Texas experienced 30 inch totals. The storm caused 68 direct deaths and an estimated \$125 billion in damages. The Texas Comptroller predicted a \$3.8 billion loss net impact in response to the storm. According to the Federal Emergency Management Administration (FEMA), approximately 780,000 Texans evacuated.

In September 2018, NOAA released information on the new 100-year flood numbers and areas in Texas had increases of up to five inches. The new information means that NOAA expects larger rainfall in Texas to continue.

Additionally, major flooding events are not limited to the coast. Throughout 2018, the state has experienced several flash floods and river flooding in all parts of the state.

### **State Flood Plan Funding (SB 397 & SJR 28) Background**

Senate Joint Resolution 28 is set up to be a voter approved constitutional amendment that will transfer \$1.2 billion from the Economic Stabilization Fund (ESF) to the State Flood Plan Fund (SFPF) (SB 397). The SFPF sets up a special fund within the state treasury, but outside of general revenue (GR) in order to help fund projects adopted in the State Flood Plan. The fund will be outside of GR to ensure a stable and dedicated source of revenue is available for funding flood mitigation projects.

### **State Flood Plan Funding Overview**

The Texas Water Development Board (TWDB) will adopt a State Flood Plan (SFP). The \$608,028,190 allocated to the SFPF will assist with financial costs for projects developed by the TWDB, in conjunction with local communities, to address flooding issues statewide. The SFPF will be invested with the objective of preserving its purchasing power while maintaining sufficient liquidity to the meet the needs of the SFP developed by the TWDB.

- The TWDB will develop rules on how the funds will be drawn down, which may include money to be used for low-interest loans and incentive funds to help counties and regions complete flood projects.
- The SFP funds will be overseen by the advisory committee and the committee may make recommendations.
- The Texas Comptroller is sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company which invests state assets. The bill makes the Trust Company responsible for managing and investing the SFPF assets according to the investment policies approved by the

Comptroller and the agency's Investment Advisory Board. The comptroller, in turn, oversees management and investment duties delegated to the Chief executive officer of the Trust Company.

**Ten-Year Dam Repair and Maintenance Plan**

The \$591,971,801 in funds will be dedicated to the Texas State Soil and Water Conservation Board to be used for the maintenance and structural repair of mostly high hazard dams for flood control, and the staff necessary to complete these projects.

- The disbursement of these funds to the Texas State Soil and Water Conservation Board will be overseen by the TWDB. These funds will also go to existing program accounts so no duplicative or new programs need to be created.

The TWDB will develop rules on how the funds will be drawn down consistent with the Texas State Soil and Water Conservation Board's 10- year Dam Repair and Maintenance Plan.

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