

SUBJECT: City and county participation in the National Flood Insurance Program

COMMITTEE: Land and Resource Management — favorable, without amendment

VOTE: 8 ayes — Walker, Crabb, Bosse, F. Brown, Hardcastle, Howard, Mowery, B. Turner
0 nays
1 absent — Krusee

WITNESSES: For — None
Against — None
On — Don Neal, Texas Natural Resource Conservation Commission

DIGEST: HB 1018 would require cities and counties to participate in the National Flood Insurance Program (NFIP) by January 1, 2001. Cities and counties would have to adopt the necessary ordinances or orders to be eligible for the program.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house.

SUPPORTERS SAY: HB 1018 is necessary to provide every Texas homeowner the opportunity to provide flood insurance. Federal law states that if citizens wish to purchase flood insurance, the city or county they live in must participate in the National Flood Insurance Program. As of now, there are 101 counties and 396 cities that do not participate in the NFIP. Texas homeowners should not be denied the right to buy flood insurance simply because the cities or counties where they live are not eligible for the NFIP.

In 1998, several counties that did not participate in the NFIP suffered from severe flooding. Residents in these counties were not eligible for federal disaster relief funds until the counties adopted ordinances necessary to participate in the NFIP. The delay in receiving funds was unnecessary and could have been prevented with minimal effort by non-participating counties

and cities.

The House Natural Resources Interim Subcommittee on Dam Safety noted that many uninsured citizens live in flood plain areas below aging dams. They could be devastated by catastrophic flooding if the dams break. The interim subcommittee recommended that cities and counties be required to participate in the National Flood Insurance Program to avoid potential catastrophic losses in the event of a dam break.

It is important that all cities and counties participate because residents should have a choice about whether they want to purchase flood insurance. Even counties and cities in dry areas of the state may have unsafe dams or perennial stream flooding that could cause severe damage to homes downstream.

The ordinances would insure that counties and cities conform with regulations established by the Federal Emergency Management Agency (FEMA) to require “wise building” within a one hundred-year flood plain. Once cities and counties enroll in the NFIP, they would be subject to reviews from the Texas Natural Resource Conservation Commission (TNRCC) to ensure that they are in compliance with the ordinances.

The actions required by this bill would not constitute an undue burden on cities and counties. The financial impact to cities and counties would be minimal. It would be restricted to filing the necessary paperwork and drafting new ordinances. The TNRCC already has the funding necessary to provide education and assistance to cities and counties in drafting ordinances to comply with the FEMA regulations. FEMA could also provides the assistance necessary to complete flood plain maps. If map assistance is not available, cities and counties may use the best available information to develop a flood plain management plan.

The bill would not lead to takings of property. It would not force homeowners to modify their homes to comply with new regulations. It is intended solely to regulate future developments in floodplains and to allow residents currently residing in flood-prone areas the opportunity to purchase flood insurance.

If a county or city does not participate in the National Flood Insurance Plan, it

may not be eligible for federal grants or loans for housing or disaster relief. Requiring counties and cities to participate in the NFIP would ensure that all local governments are eligible for such funds.

**OPPONENTS
SAY:**

Counties and cities should not be required to participate in the National Flood Insurance Program. Some counties and cities do not need to participate due to dry climatic conditions. It should be left to the individual discretion of cities and counties whether they participate in NFIP.

HB 1018 would increase state and federal control over zoning and land use in Texas cities and counties. It would also increase the regulatory burden of counties and cities that do not choose to participate.

**OTHER
OPPONENTS
SAY:**

HB 1018 would not penalize cities and counties that do not enroll in the National Flood Insurance Program. Without an enforcement mechanism, the bill would not be effective.