

2009 LEGISLATURE

Storm measures high on Texas lawmakers' agenda

By **MATT STILES** and **JANET ELLIOTT**
Copyright 2009 Houston Chronicle

Jan. 17, 2009, 9:56PM

AUSTIN — After one of the most crippling hurricane seasons for Texas coastal communities, the urgent task confronting state lawmakers is helping thousands of people still recovering from the remnants of Hurricane Ike — and preparing for the next big storm.

Possibilities for new legislation this year include hundreds of millions of dollars for storm-struck communities trying to rebuild, along with new rules that could make the next storm safer, easier and cheaper for residents to weather.

Ike came ashore at Galveston in September as a strong Category 2 storm, causing widespread flooding and wind damage and knocking out power to millions of residents across the region.

“People need to know that the state is taking this disaster and emergency effort seriously,” said state Rep. Sylvester Turner, D-Houston, whose hurricane committee is writing recommendations for fellow lawmakers. “If we do not in a holistic way address emergency and hurricane preparedness issues, the costs and the human tragedies will only increase.”

The Legislature is even proposing tax-free shopping days for hurricane supplies, such as batteries, flashlights and fuel containers, an incentive to get people ready at a discount cost.

Among the most urgent and difficult tasks for lawmakers will be funding the state’s wind insurance pool, which sells wind damage coverage to homeowners and businesses in 14 coastal counties and parts of Harris County that can’t find it elsewhere.

Fearing the next one

Once the fund is depleted, private insurance companies pay the tab. That’s what happened last year, as the industry was assessed about \$530 million for claims from hurricanes Ike and Dolly, which struck the Rio Grande Valley last summer. Companies will be allowed to recover about \$230 million of their costs through tax credits over about five years, but another big storm this year could be calamitous.

“If we have any major hurricanes this summer, right now it would be a direct hit on the insurance companies,” said Mark Hanna with the Insurance Council of Texas.

That could lead to lost tax revenue for future state budgets, and an especially costly storm likely would prompt insurance companies to pull out of Texas.

Lawmakers also are expected to consider putting money in a disaster contingency fund that would help storm-damaged communities pay for debris

Advertisement

removal and other needs immediately after future storms.

Mike Morrissey, Gov. Rick Perry's budget director, said Perry will ask the Legislature to put \$50 million to \$150 million into the fund for the next two years.

It would need as much as \$250 million, Turner said, if another storm the size of Ike were to strike Texas.

The state also will consider making loans this session to communities such as Galveston, which last week said it needed \$175 million to repair buildings and city property damaged by the storm. Turner said the state might loan the city as much as 25 percent of that amount.

Senate budget writers are trying to get a handle on how much of the rebuilding costs will be picked up by the federal government, and whether the state should boost the recovery with an emergency spending bill that would be considered early in the session.

"At the end of the day, it's not going to be cheap. Hurricane Ike really wrecked South Texas," said Finance Chairman Steve Ogden, R-Bryan.

Officials at the University of Texas Medical Branch, which recently laid off 3,000 employees, said last week that they also need hundreds of millions in state and federal emergency funds to recover from business lost since the Sept. 13 storm hit.

In addition to the disaster funding, lawmakers

already have suggested more than a dozen storm-specific bills, and two committees are studying related recommendations, including new penalties for people who ignore an evacuation order and better enforcement of laws regarding re-entry into a disaster area.

Turner said he will push for a database of Texans with medical or other special needs to assure they are all safely evacuated or attended to after a storm strikes.

Tax break for supplies

State Sen. Dan Patrick proposed a June tax holiday for storm-related supplies.

"It will save people significant tax dollars. Secondly, it will create a weekend of awareness so that everybody remembers that hurricane season is upon us," he said.

Freshman state Rep. Carol Alvarado, D-Houston, is pushing one of at least three proposals to require gas stations to have emergency power sources. Her plan would require those within 100 miles of the coast to have a generator, allowing residents to get fuel, assuming refiners and distributors can deliver it.

"The public will feel better knowing that, after hurricanes, if they want to go down to local gas station, it will function," she said.

Chronicle reporter Clay Robison contributed to this report.

Advertisement

matt.stiles@chron.com; janet.elliott@chron.com

Advertisement