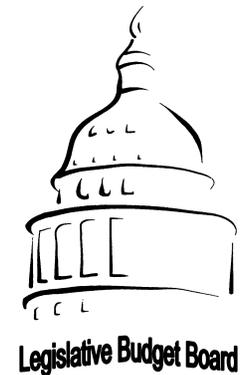


OVERVIEW OF 2008 STATE HURRICANE EXPENDITURES AND FEDERAL FUNDING ASSISTANCE

Prepared by Legislative Budget Board Staff
for the
Senate Finance Committee

February 3, 2009

HURRICANE COSTS



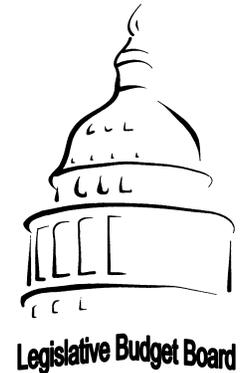
- As reported by state agencies and institutions of higher education, 2008 state hurricane costs total an estimated **\$1,746.2 million** for:
 - Hurricane Dolly (July 23, 2008) \$71.4 million
 - Hurricane Gustav (September 1, 2008) \$62.9 million
 - Hurricane Ike (September 13, 2008) \$1,611.9 million

Figure 1

2008-09 Hurricane Cost Estimate (In Millions)						
Hurricane	General Revenue	General Revenue-Dedicated	Other	Federal Funds	Total	Potential Reimbursement
Dolly	\$4.8	\$4.8	\$14.6	\$47.2	\$71.4	\$54.0
Gustav	\$3.5	\$1.5	\$1.4	\$56.4	\$62.9	\$41.6
Ike	\$149.0	\$135.6	\$416.4	\$911.0	\$1,611.9	\$1,328.6
Total	\$157.3 (11.5%)	\$141.9 (1.3%)	\$432.4 (53.7%)	\$1,014.6 (33.5%)	\$1,746.2 (100%)	\$1,424.1

Source: Legislative Budget Board based on state agency submissions.

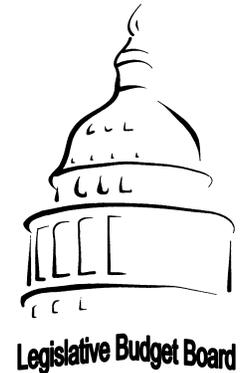
HURRICANE DOLLY



Hurricane Dolly costs total \$71.4 million

- \$67.2 million or 94% is attributable to eight agencies:
 - Department of Public Safety (\$30.3 million)
 - Health and Human Services Commission (\$9.9 million)
 - Texas Department of Transportations (\$8.9 million)
 - Texas Workforce Commission (\$7.4 million)
 - Department of State Health Services (\$4.3 million)
 - Texas State Technical College System (\$2.9 million)
 - Adjutant General’s Department (\$1.9 million)
 - The University of Texas at Brownsville (\$1.6 million)
- An estimated \$17.3 million was passed through from state agencies to local entities.
- The Federal Emergency Management Agency (FEMA) has reimbursed state agencies approximately \$9.0 million as of January 22, 2009.

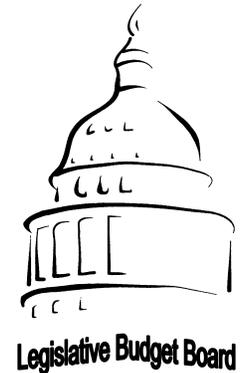
HURRICANE GUSTAV



Hurricane Gustav costs total \$62.9 million

- \$61.8 million or 98% is attributable to seven agencies:
 - Department of Public Safety (\$52.0 million)
 - Department of State Health Services (\$2.9 million)
 - Adjutant General’s Department (\$2.6 million)
 - Department of Criminal Justice (\$1.5 million)
 - Health and Human Services Commission (\$1.2 million)
 - Texas Engineering Extension Service (\$0.8 million)
 - Texas Department of Transportation (\$0.8 million)
- FEMA has reimbursed state agencies approximately \$8.7 million as of January 22, 2009.

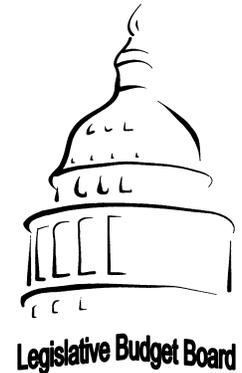
HURRICANE IKE



Hurricane Ike costs total \$1611.9 million

- \$1,325.4 million or 82% is attributable to six agencies:
 - Health and Human Services Commission (\$487.7 million)
 - Department of Public Safety (\$437.0 million)
 - University of Texas Medical Branch at Galveston (\$178.6 million)
 - Texas Department of Transportation (\$116.0 million)
 - Parks and Wildlife Department (\$63.5 million)
 - General Land Office and Veterans' Land Board (\$42.6 million)
- An estimated \$197.0 million was passed through from state agencies to local entities.
- FEMA has reimbursed state agencies approximately \$83.2 million as of January 22, 2009.

FEDERAL FUNDING ASSISTANCE



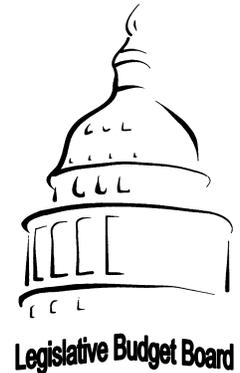
Federal Emergency Management Agency (FEMA)

Public Assistance Program

- Public Assistance grants assist state and local governments and certain private nonprofit entities with the response to and recovery from disasters.
- Provides assistance for debris removal, emergency protective measures, and permanent restoration of infrastructure.
- Based on partnerships between FEMA, state, and local officials.
 - Federal share of eligible expenses is no less than 75% with the other 25% match from the recipient.
 - Cost shares are subject to change at the President's discretion.
 - For Hurricane Ike, federal reimbursement was 100 % for Category A (debris removal) & B (emergency protective measures) eligible expenditures from September 13, 2008 through October 27, 2008, after which cost shares reverted to the 75/25 percent federal/state share for Category A and closed for Category B.
 - On November 26, 2008, FEMA retroactively authorized 100% reimbursement for eligible Category A expenditures from October 27, 2008 through April 27, 2009.

FEDERAL FUNDING ASSISTANCE

(continued)



Federal Emergency Management Agency (FEMA)

Public Assistance Program (continued)

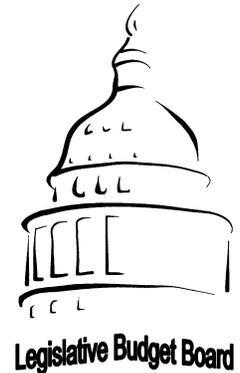
- Special Considerations that may affect funding levels include:
 - Floodplain management
 - Insurance
 - Hazard Mitigation
 - Other federal laws and regulations

Individual & Households Program

- Provides funds and services to people in the disaster area when losses are not covered by insurance and property has been damaged or destroyed.
 - Temporary Housing: provides funds for housing rentals or government housing units when rentals are not available.
 - Repair: provides funds to homeowners to repair damage from the disaster that is not covered by insurance.
 - Replacement: provides funds to homeowners to replace their home destroyed in the disaster that is not covered by insurance.

FEDERAL FUNDING ASSISTANCE

(continued)



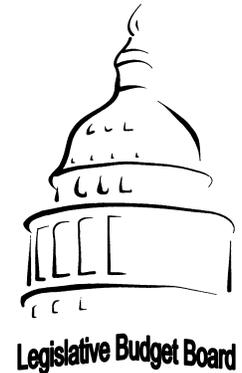
Federal Emergency Management Agency (FEMA) continued

Other Needs Assistance Program

- For individuals whose household income is below certain levels and don't qualify for other forms of assistance, the ONA program provides assistance for:
 - Medical and dental care
 - Transportation costs
 - Household items and clothing
 - School supplies and tools for an individual's trade
 - Equipment to get individuals back into their home
 - Funeral costs (as a result of a disaster)

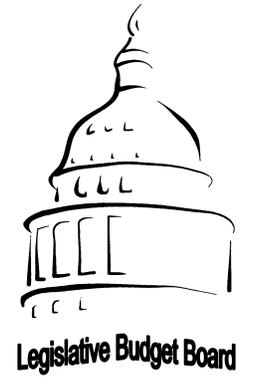
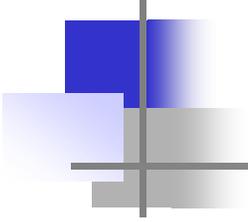
FEDERAL FUNDING ASSISTANCE

(continued)



Other Federal Funding Sources

- Housing and Urban Development
 - *Community Development Block Grants (CDBG)*
- U.S. Department of Health and Human Services
 - *Social Services Block Grant (SSBG)*
- U.S. Department of Agriculture
 - *Emergency and Replacement Food Stamp Benefits*
- Department of Labor
 - *National Emergency Grant (temporary wages & benefits)*
 - *Disaster Unemployment Assistance Program*
- U.S. Department of Transportation
 - *Road and Bridge Repair*
- U.S. Small Business Administration
 - *Low-interest loans and grants*



APPENDIX

Hurricane Dolly

2008-09 Preliminary Cost Impact

Agency Name	GR	GR-D	Other ¹	Federal Funds	Total	<i>Potential Additional Reimbursement</i>
Department of Public Safety	\$126,318	\$4,069,161	\$57,013	\$26,043,411	\$30,295,903	\$22,137,990
Health and Human Service Commission	\$2,390,487	\$0	\$0	\$7,490,782	\$9,881,269	\$7,490,782
Texas Department of Transportation	\$0	\$0	\$8,916,240	\$0	\$8,916,240	\$7,057,897
Texas Workforce Commission	\$0	\$24,913	\$0	\$7,354,580	\$7,379,493	\$7,379,493
Department of State Health Services	\$1,156,218	\$0	\$0	\$3,171,040	\$4,327,258	\$3,171,040
Texas State Technical College System	\$0	\$0	\$2,941,982	\$0	\$2,941,982	\$2,317,854
Adjutant General's Department	\$475,680	\$0	\$0	\$1,427,039	\$1,902,719	\$1,427,039
The University of Texas at Brownsville	\$0	\$0	\$1,582,189	\$0	\$1,582,189	\$54,171
Texas Engineering Extension Service	\$0	\$0	\$281,244	\$843,724	\$1,124,968	\$843,724
UT Health Science Center at San Antonio	\$0	\$0	\$512,850	\$0	\$512,850	\$512,850
Department of Housing and Community Affairs	\$0	\$0	\$5,528	\$450,000	\$455,528	\$450,000
Department of Criminal Justice	\$284,289	\$0	\$0	\$0	\$284,289	\$106,901
Parks and Wildlife Department	\$23,859	\$211,686	\$1,821	\$39,232	\$276,598	\$53,882
Texas Forest Service	\$64,428	\$0	\$0	\$193,289	\$257,717	\$257,717
The University of Texas Pan American	\$0	\$0	\$257,413	\$0	\$257,413	\$165,718
Department of Family and Protective Services	\$77,049	\$0	\$0	\$155,164	\$232,213	\$232,213
Commission on Environmental Quality	\$0	\$215,674	\$0	\$0	\$215,674	\$139,455
Department of Insurance	\$134,293	\$68,862	\$0	\$0	\$203,155	\$0
General Land Office and Veterans' Land Board	\$0	\$188,995	\$2,557	\$0	\$191,552	\$140,256
Texas AgriLife Research	\$42,875	\$0	\$0	\$0	\$42,875	\$0
Office of the Attorney General	\$15,278	\$0	\$0	\$13,453	\$28,731	\$0
Animal Health Commission	\$13,153	\$0	\$0	\$13,761	\$26,914	\$13,761
Water Development Board	\$19,852	\$0	\$0	\$0	\$19,852	\$0
Texas AgriLife Extension Service	\$1,129	\$0	\$13,134	\$0	\$14,263	\$0
Department of Information Resources	\$0	\$0	\$7,672	\$0	\$7,672	\$0

Hurricane Dolly

2008-09 Preliminary Cost Impact

Agency Name	GR	GR-D	Other ¹	Federal Funds	Total	<i>Potential Additional Reimbursement</i>
Texas Alcoholic Beverage Commission	\$6,536	\$0	\$0	\$0	\$6,536	\$0
Office of Rural Community Affairs	\$0	\$0	\$0	\$5,734	\$5,734	\$0
Texas A&M Corpus Christi	\$0	\$0	\$4,777	\$0	\$4,777	\$0
Total	\$4,831,444	\$4,779,291	\$14,584,420 ²	\$47,201,209 ³	\$71,396,364 ⁴	\$53,952,743 ⁵

Note: Estimates are based on agency submissions as of November 25, 2008 and select agency updates as of January 29, 2009 and are contingent upon changes to actual cost and reimbursement amounts.

1 "Other" funds may include interagency contracts, claim payments from insurance policies, institutional and local funds.

2 Amount does not include an estimated \$45,552 for lost revenue reported by The University of Texas Pan American.

3 Amounts do not include funds from an estimated \$1.3 billion Community Development Block Grant (CDBG) allocated to the State of Texas and administered by the Office of Rural Community Affairs for the storms that affected Texas in 2008.

4 An estimated \$17.3 million was passed through to local entities and individuals.

5 Includes an estimated \$2.1 million in claim payments from insurance policies.

Hurricane Gustav 2008-09 Preliminary Cost Impact

Agency Name	GR	GR-D	Other ¹	Federal Funds	Total	<i>Potential Additional Reimbursement</i>
Department of Public Safety	\$0	\$1,251,089	\$151,333	\$50,640,358	\$52,042,780	\$34,295,184
Department of State Health Services	\$874,112	\$0	\$0	\$2,039,456	\$2,913,568	\$2,039,456
Adjutant General's Department	\$653,145	\$0	\$0	\$1,959,437	\$2,612,582	\$1,959,437
Department of Criminal Justice	\$1,508,216	\$0	\$0	\$0	\$1,508,216	\$751,323
Health and Human Service Commission	\$294,136	\$0	\$0	\$882,406	\$1,176,542	\$882,406
Texas Engineering Extension Service	\$0	\$0	\$207,794	\$623,382	\$831,176	\$623,382
Texas Department of Transportation	\$0	\$0	\$819,900	\$0	\$819,900	\$394,066
Parks and Wildlife Department	\$16,660	\$198,763	\$38,683	\$42,432	\$296,538	\$110,855
Tyler Junior College	\$69,229	\$0	\$7,815	\$0	\$77,044	\$77,044
Department of Housing and Community Affairs	\$0	\$0	\$0	\$62,500	\$62,500	\$62,500
Texas A&M University	\$0	\$0	\$53,857	\$0	\$53,857	\$53,857
Texas Workforce Commission	\$0	\$0	\$51,001	\$0	\$51,001	\$51,001
Angelina College	\$33,512	\$0	\$16,506	\$0	\$50,018	\$33,512
Commission on Environmental Quality	\$0	\$38,518	\$0	\$0	\$38,518	\$1,460
Lamar University	\$10,968	\$0	\$24,870	\$0	\$35,838	\$0
Juvenile Probation Commission	\$0	\$0	\$23,182	\$0	\$23,182	\$23,182
Texas AgriLife Extension Service	\$0	\$0	\$17,699	\$0	\$17,699	\$17,699
Sam Houston State University	\$2,632	\$0	\$11,631	\$0	\$14,263	\$14,263
Office of the Attorney General	\$4,417	\$0	\$0	\$8,574	\$12,991	\$0
Animal Health Commission	\$6,761	\$0	\$0	\$6,109	\$12,870	\$6,109
General Land Office and Veterans' Land Board	\$0	\$6,236	\$195	\$0	\$6,431	\$4,246

Hurricane Gustav 2008-09 Preliminary Cost Impact

Agency Name	GR	GR-D	Other ¹	Federal Funds	Total	<i>Potential Additional Reimbursement</i>
Lamar State College: Port Arthur	\$2,624	\$0	\$0	\$0	\$2,624	\$0
Department of Information Resources	\$0	\$0	\$1,552	\$0	\$1,552	\$0
Texas Forest Service	\$47,871	\$0	\$0	\$143,613	\$707	\$191,484
Total	\$3,524,283	\$1,494,606	\$1,426,018	\$56,408,267²	\$62,853,174³	\$41,592,466

Note: Estimates are based on agency submissions as of November 25, 2008 and are contingent upon changes to actual cost and reimbursement amounts.

1 "Other" funds may include interagency contracts, claim payments from insurance policies, institutional and local funds.

2 Amounts do not include funds from an estimated \$1.3 billion Community Development Block Grant (CDBG) allocated to the State of Texas and administered by the Office of Rural Community Affairs for the storms that affected Texas in 2008.

3 An estimated \$55,814 million was passed through to local entities and individuals.

Hurricane Ike

2008-09 Preliminary Cost Impact

Agency Name	GR	GR-D	Other ¹	Federal Funds	Total	<i>Potential Additional Reimbursement</i>
Health and Human Service Commission	\$44,332,198	\$0	\$0	\$443,410,077	\$487,742,275	\$443,010,077
Department of Public Safety	\$0	\$124,001,146	\$1,604,089	\$311,425,507	\$437,030,742	\$312,288,994
UT Medical Branch at Galveston	\$0	\$0	\$178,599,999	\$0	\$178,599,999	\$257,340,000
Texas Department of Transportation	\$0	\$0	\$116,034,444	\$0	\$116,034,444	\$48,612,972
Parks and Wildlife Department	\$894,799	\$2,172,345	\$192,873	\$60,207,940	\$63,467,957	\$1,008,354
General Land Office and Veterans' Land Board	\$39,000,000	\$588,908	\$3,045,671	\$0	\$42,634,579	\$42,571,640
University of Houston System Administration	\$0	\$0	\$24,592,140	\$9,779,000	\$34,371,140	\$34,371,140
Department of Criminal Justice	\$33,159,374	\$0	\$0	\$0	\$33,159,374	\$28,968,927
Department of State Health Services	\$1,808,675	\$0	\$0	\$31,192,707	\$33,001,382	\$31,192,707
Texas Southern University	\$0	\$0	\$13,876,961	\$14,341,857	\$28,218,818	\$28,218,818
Texas Workforce Commission	\$0	\$37,717	\$0	\$16,936,837	\$16,974,554	\$16,974,553
Alvin College	\$0	\$0	\$15,043,688	\$0	\$15,043,688	\$3,000,000
Department of Aging and Disability Services	\$6,134,512	\$0	\$0	\$8,225,352	\$14,359,864	\$8,225,352
Texas A&M Galveston	\$0	\$0	\$13,780,977	\$0	\$13,780,977	\$7,238,340
Office of Rural Community Affairs	\$11,651,687	\$300,000	\$0	\$0	\$11,951,687	\$11,651,687
Lamar State College: Orange	\$0	\$0	\$8,025,321	\$2,025,489	\$10,050,810	\$10,050,810
UT Health Science Center at Tyler	\$0	\$0	\$9,925,024	\$0	\$9,925,024	\$9,925,024
San Jacinto College	\$0	\$0	\$8,700,000	\$0	\$8,700,000	\$5,000,000
Commission on Environmental Quality	\$0	\$8,013,146	\$0	\$0	\$8,013,146	\$3,850,474
Houston Community College	\$0	\$0	\$6,030,680	\$0	\$6,030,680	\$0
UT M.D. Anderson Cancer Center	\$0	\$0	\$5,964,669	\$0	\$5,964,669	\$0
Adjutant General's Department	\$810,371	\$0	\$0	\$4,709,386	\$5,519,757	\$4,709,386
Lamar University	\$1,510,468	\$0	\$3,499,806	\$0	\$5,010,274	\$4,500,000
Texas Engineering Extension Service	\$0	\$0	\$357,797	\$3,250,765	\$3,608,562	\$3,250,765
Texas Education Agency	\$3,051,071	\$0	\$0	\$0	\$3,051,071	\$0
Lamar Institute of Technology	\$0	\$0	\$2,116,292	\$0	\$2,116,292	\$1,891,500
Texas Alcoholic Beverage Commission	\$1,198,235	\$0	\$0	\$519,322	\$1,717,557	\$519,322
Texas Forest Service	\$367,080	\$0	\$0	\$1,101,240	\$1,468,320	\$1,468,320
Department of Family and Protective Services	\$212,845	\$0	\$0	\$1,219,991	\$1,432,836	\$1,432,836

Hurricane Ike

2008-09 Preliminary Cost Impact

Agency Name	GR	GR-D	Other ¹	Federal Funds	Total	<i>Potential Additional Reimbursement</i>
Department of Insurance	\$821,907	\$435,037	\$0	\$0	\$1,256,944	\$0
Galveston College	\$1,158,663	\$0	\$0	\$0	\$1,158,663	\$666,819
UT Health Science Center at Houston	\$0	\$0	\$499,644	\$657,932	\$1,157,576	\$1,157,576
Lamar State College: Port Arthur	\$808,927	\$0	\$322,500	\$0	\$1,131,427	\$645,200
Texas A&M University	\$0	\$0	\$1,087,722	\$0	\$1,087,722	\$815,792
Department of Housing and Community Affairs	\$301,334	\$0	\$0	\$501,399	\$802,733	\$802,733
College of the Mainland	\$0	\$0	\$704,945	\$0	\$704,945	\$429,412
Youth Commission	\$215,647	\$0	\$425,000	\$0	\$640,647	\$637,728
The University of Texas at Austin	\$0	\$0	\$628,210	\$0	\$628,210	\$335,980
Department of Assistive and Rehabilitative Services	\$75,688	\$0	\$0	\$463,543	\$539,231	\$0
Stephen F. Austin State University	\$0	\$0	\$65,112	\$368,963	\$434,075	\$434,075
Office of the Attorney General	\$282,862	\$0	\$0	\$149,291	\$432,153	\$0
Juvenile Probation Commission	\$0	\$0	\$398,298	\$0	\$398,298	\$0
Prairie View A&M University	\$0	\$0	\$650	\$386,422	\$387,072	\$387,072
Office of the Governor	\$71,193	\$0	\$250,000	\$0	\$321,193	\$0
Texas AgriLife Research	\$300,000	\$0	\$0	\$0	\$300,000	\$225,000
Comptroller of Public Accounts	\$278,063	\$0	\$0	\$0	\$278,063	\$0
Animal Health Commission	\$71,104	\$0	\$0	\$100,076	\$171,180	\$100,076
UT Southwestern Medical Center at Dallas	\$13,827	\$0	\$129,077	\$0	\$142,904	\$13,827
Tyler Junior College	\$135,512	\$0	\$3,132	\$0	\$138,644	\$138,643
State Office of Risk Management	\$0	\$0	\$124,411	\$0	\$124,411	\$0
Texas AgriLife Extension Service	\$0	\$0	\$111,416	\$0	\$111,416	\$111,416
Sam Houston State University	\$34,399	\$0	\$70,179	\$0	\$104,578	\$104,578
Angelina College	\$50,268	\$0	\$41,959	\$0	\$92,227	\$50,268
Texas A&M Corpus Christi	\$10,414	\$0	\$43,954	\$0	\$54,368	\$44,467
Department of Information Resources	\$415	\$0	\$52,484	\$0	\$52,899	\$36,522
Water Development Board	\$51,039	\$0	\$0	\$0	\$51,039	\$0
Residential Construction Commission	\$48,772	\$0	\$0	\$0	\$48,772	\$48,772
Library and Archives Commission	\$48,724	\$0	\$0	\$0	\$48,724	\$46,239

Hurricane Ike

2008-09 Preliminary Cost Impact

Agency Name	GR	GR-D	Other ¹	Federal Funds	Total	<i>Potential Additional Reimbursement</i>
Texas A&M: Commerce	\$15,095	\$0	\$24,599	\$0	\$39,694	\$39,694
Texas State University: San Marcos	\$0	\$0	\$39,303	\$0	\$39,303	\$0
Historical Commission	\$36,926	\$0	\$0	\$0	\$36,926	\$0
The University of Texas System Administration	\$13,623	\$0	\$18,196	\$0	\$31,819	\$31,819
The University of Texas at Brownsville	\$0	\$0	\$18,160	\$0	\$18,160	\$0
Office of Injured Employee Counsel	\$0	\$2,496	\$0	\$0	\$2,496	\$0
Department of Licensing and Regulation	\$604	\$0	\$0	\$0	\$604	\$0
Preservation Board	\$266	\$0	\$0	\$0	\$266	\$0
Total	\$148,976,587²	\$135,550,795	\$416,449,382^{3,4}	\$910,973,096^{5,6}	\$1,611,949,860^{7,8}	\$1,328,575,706^{9,10}

Note: Estimates are based on agency submissions as of November 25, 2008 and select agency updates as of January 29, 2009 and are contingent upon changes to actual cost and reimbursement amounts.

1 "Other" funds may include Institutional funds, Highway Fund 6, interagency contracts, claim payments from insurance policies, and local funds.

2 Total includes \$39 million transferred from the Texas Public Finance Authority to the General Land Office.

3 Amount does not include an estimated \$193.5 million for lost revenue reported by UTMB Galveston (\$169M), UT MD Anderson Cancer Center (\$15.6M), Texas AM Galveston (\$2.7M), Texas AM University (\$2.1M), Galveston College (\$2.0M), University of Houston System (\$1.2M), Lamar Institute of Technology (\$0.4M), Texas Southern University (\$0.3M), UT Austin (\$0.08M), Lamar University (\$0.08M), Lamar State College Orange (\$0.05M), Sam Houston State University (\$0.01M), and Angelina College (\$0.01M).

4 Amounts reported by UT Medical Branch Galveston, UT Health Science Center Tyler, and Houston Community College did not identify method of finance and have been categorized as "Other" funds for this report.

5 Amounts do not include funds from an estimated \$1.3 billion of a Community Development Block Grant (CDBG) allocated to the State of Texas and administered by the Office of Rural Community Affairs for the storms that affected Texas in 2008. A subsequent award is anticipated in the Spring of 2009.

6 Amount does not reflect the value of food stamp benefits awarded directly to individuals (estimated \$135.6 million).

7 Amount does not include an estimated \$1.3 billion in unfunded projects identified by the General Land Office and Veterans' Board.

8 An estimated \$197.0 million was passed through to local entities and individuals.

9 Includes an estimated \$131.4 million in claim payments from insurance policies.

10 Federal reimbursement amounts may be higher than reported due to federal funding changes. At the time of this survey FEMA reimbursements for Category A and B expenditures were 100 percent federally funded from September 13, 2008 through October 27, 2008. Subsequent expenditures for those categories were federally funded at 75 percent with a state match of 25 percent. On November 26, 2008 FEMA issued a notice that retroactively authorized 100 percent federal reimbursement for eligible Category A expenditures from October 27, 2008 through April 27, 2009.