

BILL SUMMARY
1st Session of the 58th Legislature

Bill No.:	HB 2092
Version:	Introduced
Request Number:	7232
Author:	Rep. Sims
Date:	2/12/2021
Impact:	No State Cost

Research Analysis

HB 2092, as introduced, allows the governing body of a county to initiate creation of a Natural Disaster Mitigation and Recovery District. Creation of the district would require approval at a countywide special or general election, with at least 60% voting in favor of the district. A majority vote could later dissolve the district.

The district would include all territory within the county. A trust authority would be created to administer the district, determine projects to be funded, create the budget and oversee expenditures. The trustees of the authority would include the three county commissioners, mayor or other elected officials from three municipalities within the county and one member at large.

A district would be funded by an annual assessment of no greater than 2 mills on the dollar of assessed value of property in the district currently subject to ad valorem taxes. This assessment does not apply to real property zoned for agricultural use, livestock used in support of the family, or personal property owned by for-profit agricultural businesses. Proceeds from the assessment would be used for short-term and long-term capital acquisitions and improvements of the district, including:

- Planning, designing, installing, operating and maintaining natural disaster mitigation capital improvements;
- Using funds for matching funding requirements in order to qualify for state or federal relief aid;
- Purchasing and maintaining equipment and vehicles required to implement projects;
- Providing funds to acquire and demolish, relocate, or elevate structures in areas prone to flooding;
- Providing funding to county health departments for natural disaster plans;
- Receiving natural disaster mitigation training;
- Meeting deductibles on insurance policies for county and municipal property and buildings; and
- Certain related costs.

The measure prohibits using any of the annual assessment to supplant current appropriations used for natural disaster mitigation or recovery expenditures. In designated rural counties, at least 40% of the assessment must be used for mitigation improvements and disaster recovery, but funds could be used to improve communication infrastructure.

The bill authorizes the governing body of the county to negotiate and enter into cooperative agreements on behalf of the district with a federally recognized Indian tribal government, owner

of restricted property, beneficiaries of trust property and the Bureau of Indian Affairs to assess payments in lieu of assessments and other issues of mutual interest.

Prepared By: Sean Webster

Fiscal Analysis

HB 2092 in its current form provides a process for counties to create Natural Disaster Mitigation and Recovery Trust Authorities. Such trust authorities could be created through a countywide vote at a special or general election. The measure provides that each county shall bear the costs of such election. Each county also is responsible for costs related to the administration of such trust authorities. For these reasons HB 2092 in its current form has no direct fiscal impact on the state budget or state revenues.

Prepared By: John McPhetridge

Other Considerations

None.