



STATE OF TEXAS

Date of Verification: Spring 2024

The Community Rating System (CRS) provides credit to communities for certain state laws, regulations, and standards that support floodplain management within a state and have proven effective in reducing flood damage. This Verification Report is provided to explain the recommendations of Insurance Services Office, Inc. (ISO) to DHS/FEMA concerning state-based credits under the CRS within the above state.

There are two sections to this report: State-based credit, and Other potential credit.

State-based credit is awarded to communities for activities that are implemented and enforced by the state. The credit is provided to each community in the state and documentation is not needed from the community.

Other potential credit lists the CRS activities for which communities may receive CRS credit based on, or due to, state or regional programs or regulations that are implemented within the community. There is also information regarding use of a state-based model ordinance, if present in the state. The potential credits must be verified by the ISO/CRS Specialists within each community, since enforcement is done at the community (or regional) level.

The following is a summary of state-based credit and other potential credit based on the *2017 CRS Coordinator's Manual* and *2021 Addendum*:

State Based Credit

ACTIVITY	ELEMENT	POINTS
340 (Hazard Disclosure)	ODR—other disclosure requirements	15

Activity 340 (Hazard Disclosure) Element ODR, Other Disclosure Requirements

Texas has property disclosure requirements for:

1 – the flood hazard in those cases where a real estate agent is not involved - All sellers of residential property must provide purchaser a written notice identifying if they are aware of the following: improper drainage, flood insurance coverage, previous flooding, location in SFHA, past history seller filing flood insurance claim, notice of flood insurance requirement for mortgages, history of SBA loans due to flood damage.

2 – disclosure if the property has ever been flooded. All sellers of residential property must provide purchaser a written notice identifying if they are aware of the following: improper

drainage, flood insurance coverage, previous flooding, location in SFHA, past history seller filing flood insurance claim, notice of flood insurance requirement for mortgages, history of SBA loans due to flood damage.

3 – landlord disclosure. Landlord must provide written notice whether or not structure is in the floodplain and if they are aware of recent flooding in the past 5 years. Includes notice that tenant insurance does not cover flooding. Notice not required for structures above BFE.

4 – In counties only, subdivider of land must have plat with surveyor/engineer certification describing any area of subdivision that is in the floodplain.

5 – disclosure if the property is in the SFHA. All sellers of residential property must provide purchaser a written notice identifying if they are aware of the following: improper drainage, flood insurance coverage, previous flooding, location in SFHA, past history of seller filing flood insurance claim, notice of flood insurance requirement for mortgages, history of Small Business Administration (SBA) loans due to flood damage.

Verification: Specialists will verify eligibility for additional credits individually with communities who enforce additional requirements.

Citations:

- 1 - [TX Property Code, Title 2, Chapter 5, Subchapter A - 5.008](#)
- 2 - [TX Property Code, Title 2, Chapter 5, Subchapter A - 5.009](#)
- 3 - [TX Property Code, Title 8, Chapter 92, Subchapter A - 92.0135 \(b\)](#)
- 4 - [TX Local Government Code 232.023](#)
- 5 - [TX Property Code, Title 2, Chapter 5, Subchapter A - 5.009](#)

Other Potential Credit

ISO/CRS Specialists and the community need to determine which credits may apply to an individual community. The following is a summary of activities that are potential credits:

ACTIVITY	ELEMENT
430 (Higher Regulatory Standards)	LDP3–local drainage protection
450 (Stormwater Management)	ESC–erosion & sedimentation control WQ–water quality
630 (Dams)	SDS–state dam safety

Activity 430 & Potential Higher Regulatory Standards in the State’s Model Ordinance

State Model Flood Damage Prevention Ordinance

The Texas Water Development Board is the State NFIP Coordinating Agency.

Recommended Model ordinances can be downloaded from their website:

<https://www.twdb.texas.gov/flood/insurance/participation.asp>.

- No higher standards model text is provided or available on the website.

Activity 430 (Higher Regulatory Standards) Element LDP3, Local Drainage Protection

Texas Water Code Sections 11.086 states that no person may divert or impound the natural flow of surface waters in Texas, or permit a diversion or impoundment to continue, in a manner that damages the property of another by the overflow of the water diverted or impounded. A person whose property is injured by an overflow of water caused by an unlawful diversion or impoundment has remedies at law and in equity and may recover damages occasioned by the overflow.

[WATER CODE CHAPTER 11. WATER RIGHTS \(texas.gov\)](http://www.texas.gov)

Provided the community can document enforcement of the provisions, credit may be available. Potential 430 LDP3 credit (from the 2017 manual): EITHER: 20 points, if the regulations require the applicant to provide positive drainage away from the building site to an approved point of collection that does not create a hazard or problem on neighboring properties OR 10 points, if the regulations require that the applicant provide positive drainage away from the building site.

Activity 450 (Stormwater Management)

ESC–EROSION AND SEDIMENTATION CONTROL WQ–WATER QUALITY

Relates to the state's implementation of National Pollutant Discharge Elimination System (NPDES) Phase II Program, which requires all construction activities greater than 1 acre to obtain a permit from the Environmental Protection Agency (EPA), a delegated state, or a community with a MS4 permit. The Texas Commission on Environmental Quality (TCEQ) TPDES program has regulatory authority over discharges of wastewater, stormwater, and pollutants to Texas surface waters, with the exception of discharges associated with oil, gas, and geothermal exploration and development, which are regulated by the [Railroad Commission](#) of Texas.

<https://www.tceq.texas.gov/permitting/wastewater/water-quality>

Activity 630 (Dams) Element SDS, State Dam Safety

Credit available for activities of the state's dam safety program is based on the Dam Safety Program Management Tool. Credit for element SDS is limited to communities that would be affected by a flood from the failure of a high-hazard-potential dam. This must be documented with a description and a map.

- Texas Dam Safety Program, TX Commission on Environmental Quality:
<https://www.tceq.texas.gov/compliance/investigation/damsafetyprog.html>

The U.S. Army Corps of Engineers National Inventory of Dams webpage at <https://nid.sec.usace.army.mil/#/> documents the dams and flood inundation maps information. [FEMA's Dam Safety](#) Office annually verifies element SDS credit.