

Texas and the Rising Cost of Extreme Weather

Many Texans are under **enormous and increasing financial strain from the COVID-19 pandemic** and its economic fallout. Millions have filed for unemployment, and countless small businesses have shuttered. Yet even during this crisis, we face the growing threat of additional economic harm and damage to public health from hurricanes and other extreme weather events, confirming that climate change is a “threat multiplier” making other challenges to our nation that much harder to fight.

A new report from Datu Research, *Climate Change-Fueled Weather Disasters: Costs to State and Local Economies*, reveals how extreme weather has already cost Texas taxpayers billions, and confirms we cannot fully rebuild America’s economy if we continue to ignore the threat of steadily worsening weather that we now know is driven by climate change.

Climate change is fueling rising disaster costs

Nationwide, since 1980:

- The number of annual severe weather disasters has increased fourfold, costing U.S. taxpayers **more than \$1.75 trillion**,
- The annual cost has risen from **\$17 billion to \$84 billion**,
- The direct cost has increased **elevenfold**,
- Populations in hurricane-prone communities have grown at least **22 percent faster** than the US population overall.

It’s only going to get worse:

Climate models predict that with only a moderate increase in greenhouse gas emissions, we could see a 45%-87% increase in the frequency of Category 4 and 5 hurricanes in the Atlantic basin.

Texas has seen this firsthand with Hurricane Harvey.

- Hurricane Harvey’s record-breaking rainfall led to **\$130 billion** in damages, including \$5.7 billion to small businesses alone, and that hurricane was 3x more likely to occur because of climate change.
- Massive government relief programs were central to post-Harvey recovery, with FEMA alone spending nearly \$14 billion.
- The impacts of the storm were not shared equally: 27% of

Hispanic residents and 20% of Black residents reported that their homes remained damaged one year later, compared to 11% of white residents.

- **This raises the critical question: how will governments, businesses and communities, in the future, afford to keep pace with increasingly intense calamities fueled by a changing climate?**

We can avoid the most costly extreme weather impacts if we act now

To avert the trend toward ever-more-destructive and costly weather, we must immediately cut climate pollution and move toward a 100% clean economy. This means investing in a cleaner energy and transportation system, modernizing our buildings and manufacturing, and more. And knowing that climate pollution will for some time continue to drive up costs, policymakers must also prioritize pre-disaster planning, mitigation, and response. Anything less will mean increasing strain on local and state economies.

With discussions happening in Congress now on COVID-19 recovery, it’s critical that our leaders prioritize policies that mitigate the costs of future disasters. We can’t afford not to act.