

By: Morales Shaw

H.B. No. 188

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Texas Rural Emergency Preparedness Fund for flood-prone communities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 418, Government Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. TEXAS RURAL EMERGENCY PREPAREDNESS FUND

Sec. 418.401. DEFINITIONS. In this subchapter:

(1) "Eligible entity" means a county with a population of 100,000 or less, a municipality with a population of 25,000 or less, an emergency services district, a volunteer fire department serving a rural area, or a regional council of governments acting on behalf of multiple eligible entities.

(2) "Flood-prone area" means an area that is located within the 100-year floodplain as designated by the Federal Emergency Management Agency, has experienced two or more flooding events within the preceding 15 years that resulted in damage to public or private property, or has been identified by the Texas Water Development Board or the Texas Commission on Environmental Quality as having significant flood risk.

(3) "Fund" means the Texas Rural Emergency Preparedness Fund established under Section 418.402.

(4) "Preparedness project" means an activity designed to enhance emergency preparedness, response capabilities, or flood

mitigation in a flood-prone area, including emergency management training and certification programs; evacuation planning and exercises; emergency communication systems and equipment; early warning systems, including sirens and notification systems; emergency operations centers and equipment; emergency response equipment; community emergency preparedness education programs; emergency shelter improvements and supplies; and hiring or training of emergency management personnel.

Sec. 418.402. TEXAS RURAL EMERGENCY PREPAREDNESS FUND. (a) The Texas Rural Emergency Preparedness Fund is established as a dedicated account in the general revenue fund. The fund is administered by the division.

(b) The fund consists of:

- (1) money appropriated to the fund by the legislature;
- (2) grants, gifts, or donations received for the fund;
- (3) federal funds allocated to the fund; and
- (4) interest earned on investments of the fund.

(c) Money in the fund may be used only for:

- (1) grants to eligible entities for preparedness projects;
- (2) training provided by the division to eligible entities;

and

(3) administrative costs of the division in implementing this subchapter, not to exceed five percent of the annual appropriation to the fund.

Sec. 418.403. GRANT PROGRAM ADMINISTRATION. (a) The division shall establish and administer a grant program using money from the fund to provide financial assistance to eligible entities in

flood-prone areas for preparedness projects.

(b) The division shall:

(1) develop application procedures and forms for grants;

(2) establish criteria for evaluating and prioritizing grant applications;

(3) provide technical assistance to eligible entities in applying for grants;

(4) monitor compliance with grant requirements; and

(5) evaluate the effectiveness of funded preparedness projects.

(c) The division shall give priority to applications from eligible entities that:

(1) demonstrate a history of flooding or high flood risk;

(2) show limited financial resources for emergency preparedness activities;

(3) propose projects with measurable preparedness or mitigation benefits;

(4) coordinate with neighboring jurisdictions or regional entities; and

(5) incorporate public-private partnerships or volunteer organizations.

Sec. 418.404. GRANT REQUIREMENTS. (a) A grant awarded under this subchapter:

(1) may not exceed \$500,000 per eligible entity per state fiscal year;

(2) must be used only for preparedness projects in flood-prone areas;

1       (3) may not be used for routine operational expenses not  
2 directly related to emergency preparedness; and

3       (4) must be expended within two years of the date the grant  
4 is awarded.

5 (b) An eligible entity that receives a grant must:

6       (1) use the grant money in accordance with the approved  
7 application;

8       (2) submit quarterly progress reports to the division;

9       (3) maintain records of all expenditures; and

10       (4) allow the division to inspect preparedness projects and  
11 records.

12 (c) The division may require repayment of grant money that is not  
13 used for approved purposes or that is not expended within the  
14 timeframe specified in the grant agreement.

15 Sec. 418.405. COORDINATION WITH EXISTING PROGRAMS. (a) The  
16 division shall coordinate the grant program established under this  
17 subchapter with existing federal, state, and local emergency  
18 preparedness and hazard mitigation programs to:

19       (1) avoid duplication of funding;

20       (2) maximize the effectiveness of preparedness investments;  
21 and

22       (3) ensure compliance with applicable federal requirements.

23 (b) The division may not award a grant for a project that is  
24 eligible for funding through the Federal Emergency Management  
25 Agency's hazard mitigation assistance programs unless:

26       (1) the eligible entity has applied for federal funding and  
27 been denied; or

1        (2) federal funding is insufficient to complete the  
2 project.

3        (c) Grant recipients are encouraged to use fund money as matching  
4 funds for federal grant programs when allowable under federal law.

5        Sec. 418.406. REPORTING REQUIREMENTS. (a) Not later than  
6 December 1 of each year, the division shall submit a report to the  
7 governor, the lieutenant governor, and the speaker of the house of  
8 representatives that includes:

9            (1) the number of grants awarded during the preceding state  
10 fiscal year;

11            (2) the total amount of grants awarded;

12            (3) a description of preparedness projects funded;

13            (4) an assessment of the program's effectiveness in  
14 enhancing emergency preparedness in rural flood-prone areas; and

15            (5) recommendations for improving the program.

16        (b) The division shall maintain public records of all grants  
17 awarded, including the recipient, amount, and purpose of each  
18 grant.

19        Sec. 418.407. RULES. The division shall adopt rules necessary to  
20 implement this subchapter, including:

21            (1) application procedures and requirements;

22            (2) grant evaluation and selection criteria;

23            (3) grant agreement terms and conditions;

24            (4) reporting and monitoring requirements; and

25            (5) procedures for grant compliance and enforcement.

26        Sec. 418.408. GRANT PROGRAM FUNDING. (a) For the state fiscal  
27 year beginning September 1, 2025, the legislature shall

1 appropriate \$10 million to the Texas Rural Emergency Preparedness  
2 Fund from general revenue.

3 (b) The division shall begin accepting grant applications not  
4 later than March 1, 2026.

5 SECTION 2. Not later than March 1, 2026, the Chief of the Texas  
6 Division of Emergency Management shall adopt the rules required by  
7 Section 418.407, Government Code, as added by this Act.

8 SECTION 3. This Act takes effect immediately if it receives a vote  
9 of two-thirds of all the members elected to each house, as provided  
10 by Section 39, Article III, Texas Constitution. If this Act does not  
11 receive the vote necessary for immediate effect, this Act takes  
12 effect on the 91st day after the last day of the legislative  
13 session.