Amend Amendment No. 1 by Phelan to CSSB 7 as follows:

(2) On page 9, line 10, strike ", low-interest loan, or zero-interest loan".

(3) On page 9, line 13, strike "<u>development of a</u>" and substitute "<u>participation in or development of</u>".

(4) On page 9, line 14, between "(A)" and "hazard", insert"<u>a</u>".

(5) On page 9, line 17, strike "<u>or</u>".

(6) On page 9, line 18, between "(B)" and "public", insert "<u>a</u>".

(7) On page 9, line 21, between "<u>entities</u>" and the underlined semicolon, insert the following: ; or

(C) assistance under guidelines issued by the Natural Resources Conservation Service, the United States Economic Development Administration, or the United States Department of Housing and Urban Development, or the successor in function to those entities

(8) On page 9, line 24, between "<u>permitting costs</u>," and "<u>or</u> other" insert "construction costs,".

(9) Strike page 9, line 27 through page 10, line 14 and substitute the following:

(c) A grant or loan awarded under this section may not provide more than 75 percent of the portion of the cost of the project that is paid with money other than money from a federal program.

(d) In collaboration with the Texas Division of Emergency Management, the board shall establish a point system for prioritizing flood projects other than public assistance grants for which money from the Hurricane Harvey account is sought. The system must include a standard for the board to apply in determining whether a flood project qualifies for funding at the time the application for funding is filed with the board.

1