relating to flood planning, mitigation, and infrastructure 2 3 projects. Δ BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: ARTICLE 1. FLOOD CONTROL PLANNING 5 6 SECTION 1.01. The heading to Section 15.405, Water Code, is 7 amended to read as follows: Sec. 15.405. FLOOD CONTROL PLANNING CONTRACTS. 8 SECTION 1.02. Section 15.405, Water Code, is amended by 9 amending Subsections (a), (f), and (g) and adding Subsection (a-1) 10 to read as follows: 11 12 (a) In this section, "flood control planning" means any work 13 related to: 14 (1) planning for flood protection; 15 (2) preparing applications for and obtaining regulatory approvals at the local, state, or federal level; 16 17 (3) activities associated with administrative or legal proceedings by regulatory agencies; and 18 19 (4) preparing engineering plans and specifications to provide structural or nonstructural flood mitigation and drainage. 20 (a-1) The board may enter into contracts with political 21 22 subdivisions to pay from the research and planning fund all or part of the cost of [developing] flood control planning [plans] for the 23 political subdivision. 24

AN ACT

1

- 1 (f) The board shall adopt rules establishing criteria of 2 eligibility for flood control planning money that considers:
- 3 (1) the relative need of the political subdivision for
- 4 the money, giving greater importance to a county that has a median
- 5 household income that is not greater than 85 percent of the median
- 6 state household income;
- 7 (2) the legal authority of the political subdivision
- 8 to plan for and control flooding; and
- 9 (3) the effect of flood control planning by the
- 10 political subdivision on overall flood control in the state and
- 11 within the area in which the political subdivision is located.
- 12 (g) The board shall require that flood control planning
- 13 documents [plans] developed under contracts entered into under this
- 14 section be made available to the commission.
- 15 ARTICLE 2. FLOOD INFRASTRUCTURE FUND
- SECTION 2.01. Chapter 15, Water Code, is amended by adding
- 17 Subchapter I to read as follows:
- 18 SUBCHAPTER I. FLOOD INFRASTRUCTURE FUND
- 19 <u>Sec. 15.531. DEFINITIONS. In this subchapter:</u>
- 20 (1) "Eligible political subdivision" means a district
- 21 or authority created under Section 52, Article III, or Section 59,
- 22 Article XVI, Texas Constitution, a municipality, or a county.
- 23 (2) "Flood project" means a drainage, flood
- 24 mitigation, or flood control project, including:
- 25 (A) planning and design activities;
- 26 (B) work to obtain regulatory approval to provide
- 27 nonstructural and structural flood mitigation and drainage;

1	(C) construction of structural flood mitigation
2	and drainage infrastructure; and
3	(D) construction and implementation of
4	nonstructural projects, including projects that use nature-based
5	features to protect, mitigate, or reduce flood risk.
6	(3) "Infrastructure fund" means the flood
7	infrastructure fund.
8	(4) "Metropolitan statistical area" means an area so
9	designated by the United States Office of Management and Budget.
10	Sec. 15.532. FINDINGS. The legislature finds that:
11	(1) the creation of the infrastructure fund and the
12	administration of the fund by the board will encourage the
13	development of nonstructural and structural flood mitigation in the
14	state;
15	(2) the use of the infrastructure fund is in
16	furtherance of the public purpose of mitigating the effects of
17	flooding in the state; and
18	(3) the use of the infrastructure fund for the
19	purposes provided by this subchapter is for the benefit of both the
20	state and the political subdivisions to which the board makes
21	financial assistance available in accordance with this subchapter
22	and constitutes a program under Sections 49-d-3 and 52-a, Article
23	III, Texas Constitution.
24	Sec. 15.533. FLOOD INFRASTRUCTURE FUND. (a) The flood
25	infrastructure fund is a special fund in the state treasury outside
26	the general revenue fund.

27

(b) The infrastructure fund may be used by the board,

- 1 without further legislative appropriation, only as provided by this
- 2 <u>subchapter</u>.
- 3 (c) The infrastructure fund consists of:
- 4 (1) appropriations from the legislature for a purpose
- 5 of the infrastructure fund;
- 6 (2) proceeds of general obligation bonds issued for a
- 7 purpose of the infrastructure fund;
- 8 (3) any fees or other sources of revenue that the
- 9 legislature dedicates for deposit to the infrastructure fund;
- 10 (4) repayments of loans made from the infrastructure
- 11 <u>fund;</u>
- 12 (5) interest earned on money credited to the
- 13 infrastructure fund;
- 14 (6) depository interest allocable to the
- 15 infrastructure fund;
- 16 (7) money from gifts, grants, or donations to the
- 17 infrastructure fund; and
- 18 (8) money from revenue bonds or other sources
- 19 designated by the board for deposit to the infrastructure fund.
- Sec. 15.534. USE OF INFRASTRUCTURE FUND. (a) The board
- 21 may use the infrastructure fund only:
- 22 <u>(1) to make a loan to an eligible political</u>
- 23 subdivision at or below market interest rates for a flood project;
- 24 (2) to make a grant or loan at or below market interest
- 25 rates to an eligible political subdivision for a flood project to
- 26 serve an area outside of a metropolitan statistical area in order to
- 27 ensure that the flood project is implemented;

- 1 (3) to make a loan at or below market interest rates
- 2 for planning and design costs, permitting costs, and other costs
- 3 associated with state or federal regulatory activities with respect
- 4 to a flood project;
- 5 (4) to make a grant to an eligible political
- 6 subdivision to provide matching funds to enable the eligible
- 7 political subdivision to participate in a federal program for a
- 8 flood project;
- 9 (5) to make a grant to an eligible political
- 10 subdivision for a flood project if the board determines that the
- 11 eligible political subdivision does not have the ability to repay a
- 12 loan;
- 13 (6) as a source of revenue or security for the payment
- 14 of principal and interest on bonds issued by the board if the
- 15 proceeds of the sale of the bonds will be deposited in the
- 16 <u>infrastructure fund;</u>
- 17 (7) to pay the necessary and reasonable expenses of
- 18 the board in administering the infrastructure fund; and
- 19 (8) to make transfers to the research and planning
- 20 fund created under Section 15.402 of this chapter.
- (b) Principal and interest payments on loans made under
- 22 Subsection (a)(3) may be deferred for not more than 10 years or
- 23 until construction of the flood project is completed, whichever is
- 24 <u>earlier.</u>
- Sec. 15.535. APPLICATION REQUIREMENTS. (a) Except as
- 26 provided by Subsection (c), an eligible political subdivision
- 27 applying for financial assistance under this subchapter for a

- 1 proposed flood project must demonstrate in the application that:
- 2 (1) the eligible political subdivision has acted
- 3 cooperatively with other political subdivisions to address flood
- 4 control needs in the area in which the eligible political
- 5 subdivisions are located;
- 6 (2) all eligible political subdivisions substantially
- 7 affected by the proposed flood project have participated in the
- 8 process of developing the proposed flood project;
- 9 <u>(3) the eligible political subdivisions, separately</u>
- 10 or in cooperation, have held public meetings to accept comment on
- 11 proposed flood projects from interested parties; and
- 12 (4) the technical requirements for the proposed flood
- 13 project have been completed and compared against any other
- 14 potential flood projects in the same area.
- 15 (b) The application must include an analysis of whether the
- 16 proposed flood project could use floodwater capture techniques for
- 17 water supply purposes, including floodwater harvesting, detention
- 18 or retention basins, or other methods of capturing storm flow or
- 19 unappropriated flood flow.
- 20 (c) An eligible political subdivision applying for
- 21 assistance under Section 15.534(a)(3) is not required to make the
- 22 demonstration described by Subsection (a)(4) of this section.
- Sec. 15.536. APPROVAL OF APPLICATIONS. On review and
- 24 recommendation by the executive administrator, the board may
- 25 approve an application only if the board finds that:
- 26 (1) the application and the assistance applied for
- 27 meet the requirements of this subchapter and board rules;

- 1 (2) the application demonstrates a sufficient level of 2 cooperation among eligible political subdivisions and includes all 3 of the eligible political subdivisions substantially affected by 4 the flood project; and 5 (3) the taxes or other revenue, or both the taxes and other revenue, pledged by the applicant will be sufficient to meet 6 7 all the obligations assumed by the eligible political subdivision. Sec. 15.537. RULES. The board shall adopt rules necessary 8 9 to carry out this subchapter, including rules: (1) that establish procedures for an application for 10 11 and for the award of financial assistance; 12 (2) for the investment of money; and 13 (3) for the administration of the infrastructure fund. Sec. 15.538. INFORMATION CLEARINGHOUSE. The board shall 14 act as a clearinghouse for information about state and federal 15 16 flood planning, mitigation, and control programs that may serve as 17 a source of funding for flood projects. 18 Sec. 15.539. LIABILITY. Participation in cooperative flood planning to obtain money under this subchapter does not subject the 19
- Sec. 15.540. ADVISORY COMMITTEE. (a) In this section,

state or an eligible political subdivision to civil liability in

- 23 <u>"advisory committee" means the State Water Implementation Fund for</u>
- 24 Texas Advisory Committee described by Section 15.438.
- 25 (b) The advisory committee shall:

regard to a flood project.

20

21

26 <u>(1) review the overall operation, function, and</u> 27 structure of the infrastructure fund at least semiannually and may

- 1 provide comments and recommendations to the board on any matter;
- 2 <u>and</u>
- 3 (2) make recommendations to the board regarding
- 4 information on the infrastructure fund to be posted on the board's
- 5 Internet website.
- 6 (c) The advisory committee may:
- 7 (1) submit comments and recommendations to the board
- 8 regarding the use of money in the infrastructure fund and for use by
- 9 the board in adopting rules; and
- 10 (2) adopt rules, procedures, and policies as needed to
- 11 <u>administer this section and implement its responsibilities.</u>
- 12 SECTION 2.02. Subchapter H, Chapter 49, Water Code, is
- 13 amended by adding Section 49.239 to read as follows:
- 14 Sec. 49.239. COOPERATIVE FLOOD CONTROL. A district,
- 15 including a river authority, may participate in cooperative flood
- 16 control planning for the purpose of obtaining financial assistance
- 17 as an eligible political subdivision for a flood control project
- 18 under Subchapter I, Chapter 15.
- 19 SECTION 2.03. Contingent on legislation of the 86th
- 20 Legislature, Regular Session, 2019, that requires the creation of a
- 21 state flood plan passing and becoming law, on the date that the
- 22 Texas Water Development Board adopts the initial state flood plan
- 23 in accordance with that law:
- 24 (1) Section 15.534, Water Code, as added by this Act,
- 25 expires; and
- 26 (2) Subchapter I, Chapter 15, Water Code, is amended
- 27 by adding Section 15.5341 to read as follows:

1	Sec. 15.5341. USE OF INFRASTRUCTURE FUND. (a) The board
2	may use the infrastructure fund only to provide financing for flood
3	projects included in the state flood plan.
4	(b) Money from the infrastructure fund may be awarded to
5	several eligible political subdivisions for a single flood project.
6	ARTICLE 3. TEXAS INFRASTRUCTURE RESILIENCY FUND
7	SECTION 3.01. Chapter 16, Water Code, is amended by adding
8	Subchapter L to read as follows:
9	SUBCHAPTER L. FLOOD PROJECT FUNDING
10	Sec. 16.451. DEFINITIONS. In this subchapter:
11	(1) "Advisory committee" means the Texas
12	Infrastructure Resiliency Fund Advisory Committee.
13	(2) "Eligible political subdivision" means a district
14	or authority created under Section 52, Article III, or Section 59,
15	Article XVI, Texas Constitution, a municipality, or a county.
16	(3) "Flood project" means a drainage, flood
17	mitigation, or flood control project, including:
18	(A) planning and design activities;
19	(B) work to obtain regulatory approval to provide
20	structural and nonstructural flood mitigation and drainage;
21	(C) construction of structural flood mitigation
22	and drainage infrastructure;
23	(D) nonstructural or natural flood control
24	strategies; and
25	(E) a federally authorized project to deepen a
26	ship channel affected by a flooding event.
27	(4) "Resiliency fund" means the Texas infrastructure

- 1 resiliency fund.
- 2 Sec. 16.452. TEXAS INFRASTRUCTURE RESILIENCY FUND.
- 3 (a) The Texas infrastructure resiliency fund is a special fund in
- 4 the state treasury outside the general revenue fund.
- 5 (b) The resiliency fund shall be administered by the board
- 6 in accordance with this subchapter.
- 7 (c) The board may invest, reinvest, and direct the
- 8 investment of any available money in the resiliency fund as
- 9 provided by law for the investment of public funds.
- 10 (d) Investment earnings, interest earned on amounts
- 11 credited to the resiliency fund, and interest earned on loans made
- 12 from the fund shall be deposited to the credit of the fund.
- Sec. 16.453. FLOODPLAIN MANAGEMENT ACCOUNT. (a) The
- 14 floodplain management account is an account of the resiliency fund.
- 15 (b) The account consists of:
- 16 (1) money deposited to the credit of the account under
- 17 <u>Section 251.004</u>, <u>Insurance Code</u>;
- 18 (2) money directly appropriated to the board; and
- 19 (3) money from gifts or grants from the United States
- 20 government, local or regional governments, private sources, or
- 21 other sources.
- 22 (c) The board may use the account to provide financing for
- 23 activities related to:
- 24 (1) the collection and analysis of flood-related
- 25 information;
- 26 (2) flood planning, protection, mitigation, or
- 27 adaptation;

1 (3) the provision of flood-related information to the 2 public through educational or outreach programs; or 3 (4) evaluating the response to and mitigation of flood incidents affecting residential property, including multifamily 4 units, located in floodplains. 5 6 Sec. 16.454. HURRICANE HARVEY ACCOUNT. (a) The Hurricane 7 Harvey account is an account in the resiliency fund. 8 (b) The board may use the account only to provide moneys to 9 the Texas Division of Emergency Management for the division to provide financing for projects related to Hurricane Harvey. 10 11 Financing under this section includes making a: (1) grant to an eligible political subdivision to 12 13 provide nonfederal matching funds to enable the subdivision to participate in a federal program for the participation in or 14 15 development of: 16 (A) a hazard mitigation project, under guidelines issued by the Federal Emergency Management Agency or the 17 18 Texas Division of Emergency Management or the successor in function 19 to those entities; 20 (B) a public assistance project, under guidelines issued by the Federal Emergency Management Agency or the 21 22 Texas Division of Emergency Management or the successor in function 23 to those entities; or (C) assistance under guidelines issued by the 24 25 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

26

27

- 1 those entities; and
- 2 (2) loan to an eligible political subdivision at or
- 3 below market interest rates for the political subdivision's
- 4 planning or design costs, permitting costs, construction costs, or
- 5 other costs associated with state or federal regulatory activities
- 6 with respect to a flood project.
- 7 (c) A grant or loan awarded under this section may not
- 8 provide more than 75 percent of the portion of the cost of the
- 9 project that is paid with money other than money from a federal
- 10 program.
- 11 (d) In collaboration with the Texas Division of Emergency
- 12 Management, the board shall establish a point system for
- 13 prioritizing flood projects other than public assistance grants for
- 14 which money from the Hurricane Harvey account is sought. The system
- 15 must include a standard for the board to apply in determining
- 16 whether a flood project qualifies for funding at the time the
- 17 application for funding is filed with the board.
- 18 (e) The Texas Division of Emergency Management shall give
- 19 the highest consideration in awarding points to a flood project
- 20 that will have a substantial effect, including a flood project
- 21 that:
- 22 (1) is recommended or approved by the director of the
- 23 Texas Division of Emergency Management or the successor in function
- 24 to that entity; and
- 25 (2) meets an emergency need in a county where the
- 26 governor has declared a state of disaster.
- 27 (f) After review and recommendation by the executive

- 1 administrator and with input from the director of the Texas
- 2 Division of Emergency Management or the successor in function to
- 3 that entity, the Texas Division of Emergency Management may approve
- 4 an application for financial assistance under this section only if
- 5 the Texas Division of Emergency Management finds that:
- 6 (1) the application and assistance applied for meet
- 7 the requirements of this subchapter and Texas Division of Emergency
- 8 Management rules;
- 9 (2) the application demonstrates a sufficient level of
- 10 cooperation among applicable political subdivisions and includes
- 11 all of the political subdivisions substantially affected by the
- 12 flood project; and
- 13 (3) the taxes or other revenue, or both the taxes and
- 14 other revenue, pledged by the applicant, if applicable, will be
- 15 sufficient to meet all the obligations assumed by the applicant.
- 16 (g) Principal and interest payments on loans made under
- 17 Subsection (b)(2) may be deferred for not more than 10 years or
- 18 until construction of the flood project is completed, whichever is
- 19 the shorter period.
- 20 (h) Money from the account may be awarded to several
- 21 eligible political subdivisions for a single flood project.
- 22 (i) An eligible political subdivision that receives a grant
- 23 for a flood project also may receive a loan from the account.
- 24 (j) This section expires September 1, 2031. The remaining
- 25 balance of the account on that date is transferred to the flood plan
- 26 implementation account.
- Sec. 16.455. FEDERAL MATCHING ACCOUNT. (a) The federal

- 1 matching account is an account in the resiliency fund.
- 2 (b) The board may use the account only to meet matching
- 3 requirements for projects funded partially by federal money,
- 4 including projects funded by the United States Army Corps of
- 5 Engineers.
- 6 (c) The board may use the account to make a loan to an
- 7 eligible political subdivision below market interest rates and
- 8 under flexible repayment terms, including a line of credit or loan
- 9 obligation with early prepayment terms, to provide financing for
- 10 the local share of a federally authorized ship channel improvement
- 11 project.
- 12 Sec. 16.456. TEXAS INFRASTRUCTURE RESILIENCY FUND ADVISORY
- 13 COMMITTEE. (a) The Texas Infrastructure Resiliency Fund Advisory
- 14 Committee is composed of the seven members that serve on the State
- 15 Water Implementation Fund for Texas Advisory Committee described by
- 16 Section 15.438, with the co-presiding officers of that committee
- 17 serving as presiding officers of the advisory committee. The
- 18 director of the Texas Division of Emergency Management or the
- 19 <u>successor in function to that entity serves as a nonvoting member of</u>
- 20 the advisory committee, as an additional duty of the director's
- 21 office.
- 22 (b) The advisory committee may hold public hearings, formal
- 23 meetings, or work sessions. Either co-presiding officer of the
- 24 advisory committee may call a public hearing, formal meeting, or
- 25 work session of the advisory committee at any time. The advisory
- 26 committee may not take formal action at a public hearing, formal
- 27 meeting, or work session unless a quorum of the committee is

- 1 present.
- 2 (c) Except as otherwise provided by this subsection, a
- 3 member of the advisory committee is not entitled to receive
- 4 compensation for service on the committee or reimbursement for
- 5 expenses incurred in the performance of official duties as a member
- 6 of the committee. Service on the advisory committee by a member of
- 7 the senate or house of representatives is considered legislative
- 8 service for which the member is entitled to reimbursement and other
- 9 benefits in the same manner and to the same extent as for other
- 10 legislative service.
- 11 (d) The advisory committee may submit comments and
- 12 recommendations to the board regarding the use of money in the
- 13 resiliency fund and for use by the board in adopting rules.
- 14 (e) The advisory committee shall review the overall
- 15 operation, function, and structure of the resiliency fund at least
- 16 semiannually and may provide comments and recommendations to the
- 17 board on any matter.
- 18 (f) The advisory committee may adopt rules, procedures, and
- 19 policies as needed to administer this section and implement its
- 20 responsibilities.
- 21 (g) The advisory committee shall make recommendations to
- 22 the board regarding information on the resiliency fund to be posted
- 23 on the board's Internet website.
- 24 (h) The advisory committee may evaluate and may provide
- 25 comments or recommendations on the feasibility of the state owning,
- 26 <u>constructing</u>, operating, and maintaining flood projects, including
- 27 reservoirs and coastal barriers.

- 1 (i) The board shall provide an annual report to the advisory
- 2 committee on:
- 3 (1) the board's compliance with statewide annual goals
- 4 relating to historically underutilized businesses; and
- 5 (2) the participation level of historically
- 6 underutilized businesses in flood projects that receive money from
- 7 the resiliency fund.
- 8 (j) If the aggregate level of participation by historically
- 9 underutilized businesses in flood projects that receive money from
- 10 the resiliency fund does not meet statewide annual goals adopted
- 11 under Chapter 2161, Government Code, the advisory committee shall
- 12 <u>make recommendations to the board to improve the parti</u>cipation
- 13 level.
- 14 (k) The board shall supply staff support to the advisory
- 15 committee.
- (1) Chapter 2110, Government Code, does not apply to the
- 17 size, composition, or duration of the advisory committee.
- Sec. 16.457. REPORT REQUIRED. (a) In this section, "state
- 19 agency" means:
- 20 (1) a department, commission, board, office, or other
- 21 agency in the executive branch of state government created by the
- 22 state constitution or a state statute; and
- 23 (2) a general academic teaching institution as defined
- 24 by Section 61.003, Education Code.
- 25 (b) A state agency that uses or disburses federal money for
- 26 <u>flood research</u>, planning, or mitigation projects shall submit a
- 27 report to the board on a quarterly basis.

1	(c) The report must include the following information about
2	federal money used or disbursed for flood research, planning, or
3	mitigation projects:
4	(1) the original total of federal money received;
5	(2) the amount of the federal money spent or disbursed
6	to date; and
7	(3) the eligibility requirements for receiving the
8	<pre>federal money.</pre>
9	Sec. 16.458. APPLICABLE LAW. Subchapter E, Chapter 17,
10	applies to financial assistance made available from the resiliency
11	fund, except that the board may execute contracts as necessary to
12	evidence grant agreements.
13	Sec. 16.459. TRANSPARENCY REQUIREMENTS. The board shall
14	post the following information on the board's Internet website
15	regarding the use of the resiliency fund and regularly update the
16	<pre>information posted:</pre>
17	(1) the progress made in developing flood projects
18	statewide;
19	(2) a description of each flood project that receives
20	money from the resiliency fund, including:
21	(A) the expected date of completion of the flood
22	<pre>project;</pre>
23	(B) the current status of the flood project;
24	(C) the proposed benefit of the flood project;
25	(D) the initial total cost estimate of the flood
26	project and variances to the initial cost estimate exceeding five
27	<pre>percent;</pre>

1	(E) a listing of the eligible political
2	subdivisions receiving money from the resiliency fund;
3	(F) a listing of each political subdivision
4	served by each flood project;
5	(G) an estimate of matching funds that will be
6	available for the flood project resulting from the use of the
7	resiliency fund; and
8	(H) the status of repayment of each loan provided
9	in connection with a flood project, including an assessment of the
10	risk of default based on a standard risk rating system;
11	(3) a description of the point system for prioritizing
12	flood projects and the number of points awarded by the board for
13	<pre>each flood project;</pre>
14	(4) any nonconfidential information submitted to the
15	board as part of an application for funding under this subchapter
16	that is approved by the board;
17	(5) the administrative and operating expenses
18	incurred by the board in administering the resiliency fund; and
19	(6) any other information required by board rule.
20	Sec. 16.460. RULES. The board shall adopt rules necessary
21	to carry out this subchapter, including rules:
22	(1) that establish procedures for an application for
23	and for the award of financial assistance;
24	(2) that establish the prioritization system for flood
25	projects that receive money from the resiliency fund;
26	(3) for the repayment of a loan from the resiliency
27	fund; and

- 1 (4) for the administration of the resiliency fund.
- 2 SECTION 3.02. Section 251.004(b), Insurance Code, is
- 3 amended to read as follows:
- 4 (b) Each state fiscal year, the comptroller shall
- 5 reallocate to the floodplain management account established under
- 6 Section 16.453 [<del>16.3161</del>], Water Code, the first \$3.05 million of
- 7 the maintenance taxes collected under Chapter 252 and deposited in
- 8 the general revenue fund.
- 9 SECTION 3.03. Section 16.3161, Water Code, is repealed.
- 10 SECTION 3.04. On the effective date of this Act, the
- 11 Floodplain Management Account No. 0330 is transferred to the Texas
- 12 infrastructure resiliency fund as an account of that fund and the
- 13 balance of the Floodplain Management Account No. 0330 is
- 14 transferred to the floodplain management account of the Texas
- 15 infrastructure resiliency fund.
- SECTION 3.05. (a) Not later than the 90th day after the
- 17 effective date of this Act, the Texas Infrastructure Resiliency
- 18 Fund Advisory Committee shall submit recommendations to the Texas
- 19 Water Development Board on the rules to be adopted by the board
- 20 under Section 16.460, Water Code, as added by this Act.
- (b) Not later than the 90th day after the date the Texas
- 22 Water Development Board receives the recommendations described by
- 23 Subsection (a) of this section, the board shall adopt rules under
- 24 Section 16.460, Water Code, as added by this Act.
- 25 SECTION 3.06. Contingent on legislation of the 86th
- 26 Legislature, Regular Session, 2019, that requires the creation of a
- 27 state flood plan passing and becoming law, on the date that the

- 1 Texas Water Development Board adopts the initial state flood plan
- 2 in accordance with that law, Subchapter L, Chapter 16, Water Code,
- 3 as added by this Act, is amended by adding Section 16.4545 to read
- 4 as follows:
- 5 Sec. 16.4545. FLOOD PLAN IMPLEMENTATION ACCOUNT. (a) The
- 6 flood plan implementation account is an account in the resiliency
- 7 fund.
- 8 (b) The board may use the account only to provide financing
- 9 for projects included in the state flood plan.
- 10 (c) Money from the account may be awarded to several
- 11 eligible political subdivisions for a single flood project.
- 12 ARTICLE 4. REVENUE BONDS
- SECTION 4.01. Section 17.852(5), Water Code, is amended to
- 14 read as follows:
- 15 (5) "Project" includes water supply projects,
- 16 treatment works, and flood [control] projects, as defined by
- 17 <u>Section 15.531 or 16.451</u>.
- SECTION 4.02. Section 17.853(c), Water Code, is amended to
- 19 read as follows:
- 20 (c) The board may use the fund only:
- 21 (1) to provide state matching funds for federal funds
- 22 provided to the state water pollution control revolving fund or to
- 23 any additional state revolving fund created under Subchapter J,
- 24 Chapter 15;
- 25 (2) to provide financial assistance from the proceeds
- 26 of taxable bond issues to water supply corporations organized under
- 27 Chapter 67, and other participants;

- 1 (3) to provide financial assistance to participants
- 2 for the construction of water supply projects and treatment works;
- 3 (4) to provide financial assistance for an interim
- 4 construction period to participants for projects for which the
- 5 board will provide long-term financing through the water
- 6 development fund;
- 7 (5) to provide financial assistance for water supply
- 8 and sewer service projects in economically distressed areas as
- 9 provided by Subchapter K, Chapter 17, to the extent the board can
- 10 make that assistance without adversely affecting the current or
- 11 future integrity of the fund or of any other financial assistance
- 12 program of the board;
- 13 (6) to provide funds to the water infrastructure fund
- 14 created under Section 15.973; [and]
- 15 (7) to provide funds to the state water implementation
- 16 revenue fund for Texas;
- 17 (8) to provide funds to the flood infrastructure fund
- 18 created under Section 15.533; and
- 19 (9) to provide funds to the Texas infrastructure
- 20 resiliency fund created under Section 16.452.
- 21 ARTICLE 5. EFFECTIVE DATE
- SECTION 5.01. (a) Except as provided by Subsection (b) of
- 23 this section, this Act takes effect immediately if it receives a
- 24 vote of two-thirds of all the members elected to each house, as
- 25 provided by Section 39, Article III, Texas Constitution. If this
- 26 Act does not receive the vote necessary for immediate effect, this
- 27 Act takes effect September 1, 2019.

S.B. No. 7

(b) Article 2 of this Act takes effect January 1, 2020, but only if the constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, authorizing the legislature to provide for the creation of the flood infrastructure fund to assist in the financing of drainage, flood mitigation, and flood control projects is approved by the voters. If that amendment is not approved by the voters, Article 2 has no effect.

S.B. No. 7

President of the Senate Speaker of the House
I hereby certify that S.B. No. 7 passed the Senate on
March 20, 2019, by the following vote: Yeas 31, Nays 0; and that
the Senate concurred in House amendments on May 22, 2019, by the
following vote: Yeas 31, Nays 0.
Coordon of the Consta
Secretary of the Senate
I hereby certify that S.B. No. 7 passed the House, with
amendments, on May 16, 2019, by the following vote: Yeas 143,
Nays 1, two present not voting.
Chief Clerk of the House
Approved:
Date
Governor