

HOUSE COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON STATE INFRASTRUCTURE, RESILIENCY, AND INVESTMENTS

INTERIM CHARGE 1:

Monitor the implementation of disaster-related legislation from the 86th Legislature, including but not limited to SB 7, SB 8, and SB 500. Identify any issues and corresponding remedies for those issues in drawing down any federal funds related to the purposes of carrying out the intent of the newly enacted legislation.

The following constitute responses to a request for information regarding the above interim charge posted on August 5, 2020.

**Department of State Health Services
Response to the House Committee on Appropriations
Request for Information – Sept. 2020**

Subcommittee on Infrastructure, Resiliency, and Investments

Charge I: Monitor Disaster-Related Legislation, Including Senate Bill 500

SB 500, SECTION 15: X-ALD Newborn Screening

- **Amount:** \$7.9 Million
- **Scope:** To begin full implementation of screening newborns for X-linked adrenoleukodystrophy (X-ALD).
 - X-ALD is a rare genetic disorder characterized by damage to the nervous system and dysfunction of the adrenal glands (small glands located on the kidneys). X-ALD affects about one in 17,000 people worldwide, including 10-14 cases in Texas each year, mostly among males.
 - X-ALD diagnosis requires laboratory screening.
 - In 2016, X-ALD was added to the U.S. Department of Health and Human Services Recommended Screening Panel (RUSP), which allowed DSHS to pursue adding it to the Texas newborn screening program.
- **Progress:**
 - Adding X-ALD to the Texas newborn screening began with initial state appropriations in 2017 of \$1.2 Million.
 - In 2018, DSHS also received a Centers for Disease Control and Prevention Grant of \$600,000 and an Association of Public Health Laboratories grant of \$135,000.
 - 2017-2018 funding allowed DSHS to begin preparatory work to incorporate the test into the program.
 - With Senate Bill 500, DSHS was able to complete necessary IT, physical space, staff hiring and training, and other changes needed to fully incorporate the test into the program.
 - DSHS began lab screening for X-ALD on August 5, 2019.

SB 500, SECTION 16: DSHS – Emergency Generator

- **Amount:** \$12 Million
- **Scope:** To provide an emergency generator capable of supporting the Department of State Health Services Austin laboratory to facilitate continued laboratory functions in the event of a power outage. Providing a reliable solution is critical to ensuring the safety of specimen samples, laboratory testing equipment, and processing tests critical to public health including the newborn screening program, infectious disease response, and other events.

- **Progress:**

- DSHS is collaborating with the Texas Facilities Commission (TFC) to obtain an emergency generator solution.
- This collaboration requires the use of a new Interagency Cooperation Contract that includes additional Austin laboratory building repair projects.
- The contract was executed on April 6, 2020.
- TFC is currently conducting an assessment of all projects, including the generator addition.
- This assessment includes identifying current and future needs of the Lab, which will assist in layouts and sizing of equipment, including the generator.
- Estimated completion date is August 31, 2021.

SB 500, SECTION 17: DSHS –Trauma Capacity and Response Infrastructure

Total Funds Allocated to DSHS: \$17 Million

- **\$2 Million** – Regional Advisory Council (RAC) Funding.
- **\$6 Million** (no more than) – Funding for hospitals affected by Hurricane Harvey
- **\$6 Million** (at least) – Funding for hospitals in pursuit of Level I Trauma Designations in the Rio Grande Valley
- **\$3 Million** – remaining undirected funds

Regional Advisory Council Funding

- **Amount:** \$2 Million
- **Scope:**
 - The funding is allocated to improve emergency management services.
 - Examples: services related to trauma, emergency, and disaster incidents.
 - After conferring with the Regional Advisory Council (RAC) chairs, the funding was allocated to 22 RACs with specific scopes of work focused on emergency management improvement on a statewide and regional scale.
 - Please see below for a breakdown by RAC of SB 500 funding:

RAC	Contract Amount	RAC	Contract Amount
A	\$ 82,134	L	\$ 37,660
B	\$ 78,165	M	\$ 22,449
C	\$ 32,532	N	\$ 27,184
D	\$ 51,566	O	\$ 175,160
E	\$ 374,706	P	\$ 185,085
F	\$ 27,781	Q	\$ 342,602
G	\$ 75,479	R	\$ 66,573
H	\$ 26,356	S	\$ 21,931
I	\$ 60,305	T	\$ 27,811
J	\$ 104,254	U	\$ 56,736
K	\$ 52,545	V	\$ 70,987
Total	\$ 2,000,000.00		

- The RAC funding may be utilized to address both statewide and regional projects:
 - **Statewide Project:** Texas EMS Wristband Project – each RAC will collectively participate in developing and implementing the plan with in the RAC.

- The wristbands will provide a unique identifier that can be used to link records or patient data delivered from EMS throughout the continuum of care.
- **Regional Project(s):** These projects range in covering public education and professional development:
 - Emergency health education topics: Stop the Bleed, Active Threat Training, Recognizing and Preventing Human Trafficking, Opioid Abuse, Hands Only CPR, etc.
 - Professional Development: relating to trauma-specific disciplines and provided by national organizations or federal agencies.
 - Disaster Preparedness: related professional development and training needs
 - Regional Priority Initiatives: implemented at regional level with prior approval from DSHS
- **Progress:**
 - Contracts with 22 RACs executed January 7, 2020. Must be expended by June 10, 2021, per SB 500.
 - Data collection from RAC contracts are ongoing through quarterly progress reports, which will denote how much of the funding is being spent on the statewide or regional project, demonstrating improved emergency management services. COVID-19 did affect this process, and DSHS worked with RACs when delay/extension needs were identified.

Funding for Hospitals Affected by Hurricane Harvey

- **Amount:** \$6 million
- **Scope:** No more than 104 hospitals are eligible for funds based on designation status and the disaster proclamation issued by Governor Abbott.
- **Progress:**
 - To allocate the funds, DSHS utilized the Uncompensated Trauma Care (UCC) allocation as described by 25 Texas Administrative Code, Section 157.131.
 - The distribution will occur as part of the regular UCC process, which opened in November 2019 and will result in a release of funds in October 2020.

Level I Trauma Designation – Rio Grande Valley

- **Amount:** \$6 Million
- **Scope:** SB 500 outlined the appropriation was to be awarded to primary teaching hospitals in the Rio Grande Valley with a general surgery residency program that were in pursuit of the highest level of trauma hospital facility designation, Level I.
- **Progress:**

- DSHS issued a procurement to Doctors Hospital at Renaissance in Edinburg since it was the sole hospital that met the requirements (active pursuit of Level I Trauma Designation) within the counties included in SB 500.
- Procurement was issued on April 2, 2020 for a total of \$6 Million.
- To be considered for Level I designation, DHR needed to be assessed by a qualified survey team. The survey team conducts a visit over several days and provides detailed observations of their findings, including whether the hospital meets the various Level I designation requirements.
- Typically, hospitals use a survey organization to complete the required Level 1 site visit. COVID-19 caused most survey organizations to halt survey work until 2021.
- To address this, DSHS worked with DHR to field and train a qualified Level I survey team during Spring-Summer 2020.
- The survey team conducted an onsite visit on July 26-27, 2020.
- Based on the survey team visit and analysis of medical record review summaries, DHR increased its trauma designation from a Level III to a Level II designation.
- As a result, the lower Rio Grande Valley now has increased availability of enhanced trauma care.
- DSHS will provide technical assistance as needed as DHR continues work to achieve a Level I designation.

Remaining Undirected Funds

- **Amount:** \$3 Million
- **Scope:** DSHS will use the Uncompensated Trauma Care (UCC) allocation outlined in 25 Texas Administrative Code, Section 157.131 to award the remaining undirected funds.
- **Progress:**
 - DSHS will be able to award funds to 85 trauma-designated facilities located in rural counties that were not directly affected by Hurricane Harvey.
 - Distribution will occur as part of the regular UCC process, which opened in November 2019 and will result in a release of funds in October 2020.

Texas General Land Office

Submission to the Texas House Natural Resources Committee Request for Information

Executive Summary

The Texas General Land Office (GLO) is responsible for administering federal Community Development Block Grant Disaster Recovery (CDBG-DR) and Mitigation (CDBG-MIT) funds that are appropriated by Congress to the US Department of Housing and Urban Development (HUD) for federally declared disasters. As the federal agency partner, HUD administers the appropriated funding to the State of Texas and the GLO administers programs and projects throughout eligible disaster areas to help Texans recover from disasters.

Since 2011, the GLO has administrated CDBG-DR funding for federally declared disasters dating back to Hurricane Rita in 2005, Hurricanes Ike and Dolly in 2008, the 2011 Bastrop Wildfires, the 2015 Floods, the 2016 Floods, and Hurricane Harvey in 2017. Soon, the GLO will also administer CDBG-DR funding appropriated for the South Texas Floods in 2018 and Tropical Storm Imelda and Lower Rio Grande Valley Floods in 2019. In addition to CDBG-DR programs and projects, the GLO is also responsible for administering a unique appropriation of mitigation funds known as CDBG-Mitigation.

The GLO is actively administering the following CDBG-DR grants:

Texas General Land Office CDBG-DR and CDBG-MIT Grant Programs		
Disaster Event	Appropriation	Grant Expiration
2008 Hurricanes Ike/Dolly	\$3,114,645,446	N/A
2011 Bastrop Wildfires	\$31,319,686	N/A
2015 Floods	\$74,568,000	April 5, 2023
2016 Floods	\$238,895,000	July 15, 2023
2017 Hurricane Harvey (initial)	\$57,800,000	June 23, 2024
2017 Hurricane Harvey	\$5,676,390,000	August 17, 2024
CDBG-Mitigation	\$4,297,189,000	2032

The GLO is actively administering the following CDBG-MIT grant programs:

Program	Allocation
2015 Floods State Mitigation Competition	\$46,096,950
2016 Floods State Mitigation Competition	\$147,680,760
Hurricane Harvey State Mitigation Competition	\$2,144,776,720
Regional Mitigation Program (COG MODs)	\$500,000,000
HMGP: Supplemental	\$170,000,000
Coastal Resilience Program	\$100,000,000
Housing Oversubscription Supplemental	\$400,000,000
Resilient Home Program	\$100,000,000
Hazard Mitigation Plans	\$30,000,000
Resilient Communities Program	\$100,000,000
Regional and State Planning	\$214,859,450

The GLO recently submitted to HUD the State Action Plans for the 2018 Floods in South Texas and the 2019 Tropical Storm Imelda and Lower Rio Grande Valley disaster event. Upon approval from HUD, the GLO will be able to implement disaster housing, infrastructure, and planning activities for the eligible jurisdictions. The 2018 South Texas Floods total CDBG-DR allocation is \$72.91 million. The total 2019 Disasters CDBG-DR allocation is \$212.74 million.

Following the 86th Legislative Session, the GLO has continued to engage with local, regional, state, and federal partners to administer the CDBG-DR and CDBG-MIT funding in the form of programs and projects across the State of Texas.

In relation to Interim Charge #1, the GLO coordinates with state agencies such as the Texas Water Development Board (TWDB) and the Texas Division of Emergency Management to address disaster recovery needs from Hurricane Harvey. The GLO is responsible for disaster recovery activities funded by Senate Bill 500, such as removing vessels and providing matching funds for studies and projects planned by the U.S. Army Corps of Engineers. While GLO is not directly responsible for aspects outlined in Senate Bill 7 nor Senate Bill 8, the GLO is supporting the Texas Water Development Board and Texas Division of Emergency Management's flood project and flood planning activities. The GLO is also responsible for aspects of Senate Bill 289, which amended the Texas Disaster Act of 1975 to require the GLO to work with the Hazard Reduction and Recovery Center at Texas A&M University to help local governments develop and implement local housing plans.

Senate Bill 7

In regard to Senate Bill 7, the GLO does not have a direct role in administering the Texas Infrastructure Resiliency Fund (TIRF) or the Flood Infrastructure Fund (FIF). However, the GLO implements programs and projects similar to the activities outlined in both TIRF and FIF, such as funding flood projects and conducting flood planning studies. Therefore, the GLO and TWDB have worked closely to coordinate activities to avoid the duplication of effort in regional flood planning and to support local governments seeking to fund flood infrastructure projects.

Since 2011, the GLO has administered CDBG-DR funding in the form of allocations or grant competitions to fund flood and drainage improvement projects and other disaster-impacted infrastructure projects. GLO flood project and drainage improvement activities differentiate from TWDB activities due to the origin of the funds, rules associated with the funds for grant timeline execution, and eligibility criteria. The GLO and TWDB are working together to minimize duplication of effort by actively assisting local governments in their determinations to pursue either CDBG-DR or CDBG-MIT funding from the GLO, TIRF or FIF funding from TWDB, Hazard Mitigation Grant Program (HMGP) funding from TDEM, and other potential grant opportunities from any of the three agencies. The interagency coordination was formalized with the formation of the Flood Information Clearinghouse Committee.

Since the 86th Legislative Session, the GLO, TWDB, and TDEM came together to create the [Flood Information Clearinghouse Committee \(FLICC\)](#), which meets on a monthly basis to coordinate on flood-related grantmaking activities and other agency program activities related to flooding.

FLICC has a website that provides information about each agency's current grant funding opportunities and has a function for local government partners to submit a single Request for Information (RFI)

containing project idea details that routes for review by the GLO, TDEM, and TWDB for high-level project eligibility assessment from the perspective of each agency and their available programs.

FLICC allows for local governments seeking grant funding for flood projects to submit one RFI to all three agencies at once, as opposed to submitting RFIs to each agency. FLICC bridges the intent of Senate Bill 7 to provide a one-stop shop for assessing the eligibility of flood projects proposed by local governments.

After receiving an RFI, the FLICC committee responds to local government and points them in the direction of the appropriate agencies with active grant funding that may be able to fund their project idea. This coordination effort specifically addresses the intent of Senate Bill 7 to create, fund, and provide opportunities for local governments by encouraging state agencies to work together in unison.

The GLO is committed to supporting the Texas Water Development Board's programming for the Texas Infrastructure Resiliency Fund and the Flood Infrastructure Fund. The GLO will continue to work in partnership with TWDB and TDEM on the FLICC committee to assess local government flood projects and possible flood planning activities, such are also in part influenced by Senate Bill 8.

Senate Bill 8

In regard to Senate Bill 8, while the GLO does not have a direct role in developing or implementing a state flood plan, the GLO can and will provide support to the TWDB for the comprehensive state flood plan to be incorporated in September 2024.

The Texas Water Development Board (TWDB) is responsible for developing and implementing a comprehensive state flood plan comprised of regional flood plans. The GLO will support TWDB by providing complimentary regional flood planning data, information, and resources to inform the comprehensive state flood plan.

In the [GLO State of Texas Action Plan](#) for \$5.676 billion in CDBG-DR funding for Hurricane Harvey disaster recovery published in 2018, the GLO set aside \$137 million for planning activities. The GLO recognized the need for a state-run planning program that included a regional approach and pursued regional flood planning studies in the counties impacted by Hurricane Harvey. Due to the resources allocated to the GLO to implement these studies, both the GLO and TWDB recognized the need to coordinate complimentary flood planning activities that would serve the GLO State Action Plan and Senate Bill 8.

The GLO regional flood planning activity is funded by the CDBG-DR allocation from Congress for Hurricane Harvey. Use of the CDBG-DR funds are limited to the eligible geographical areas designated as HUD Most Impacted and Distressed (HUD MID) and the State Most Impacted and Distressed (State MID). The GLO intends to conduct regional flood planning across the following river basins: Trinity, Sabine, Neches, Brazos, San Jacinto, Houston Bayou, Nueces, San Antonio, Guadalupe, Lavaca, and Colorado.

Once the GLO regional flood planning activities conclude, the GLO will be able to provide data, information, and resources to the TWDB to inform their comprehensive state flood plan.

The interagency coordination between the GLO and TWDB will produce the comprehensive state flood plan required by Senate Bill 8 to be implemented and universally utilized by local, regional, state, and even federal governmental partners.

Senate Bill 500

In regard to Senate Bill 500, the GLO was appropriated funding from the legislature to conduct specific disaster recovery activities post-Harvey, including funding for the removal of vessels, repair and replacement of structures and equipment damaged by the hurricane, the ability to hire and retain FTEs assigned to building emergency short-term housing related to the hurricane, and to state matching for studies and projects planned by the U.S. Army Corps of Engineers.

The Congressional Bipartisan Budget Act of 2018 appropriated \$4 billion to the Army Corps of Engineers to improve two levee systems located in Brazoria County and Jefferson County and construct a new levee in Orange County. Collectively this project is known as the Sabine to Galveston project. The \$4 billion is enough to fully fund the construction of these projects; however, 35% of these funds must be paid back by a nonfederal construction sponsor. The 35% cost-share can be paid back over a 30-year period after construction is completed. However, in order to avoid accruing interest on the cost-share the funds need to be paid during the construction phase.

Senate Bill 500 appropriated \$200 million to the GLO to act as a pass-through agency to cover a portion of the 35% cost-share. While the GLO paid for half of the study that formulated these projects it is not the nonfederal construction sponsor. The GLO is working with the three drainage districts located in the aforementioned counties on agreements to ensure they receive the funds appropriated by the Legislature.

The breakdown of estimated construction costs for each levee system is as follows:

- Orange county (new system)
 - Federal cost=\$1,536,291,000
 - Nonfederal cost=\$827,233,000
- Jefferson county (improvements to existing system)
 - Federal cost=\$573,220,000
 - Nonfederal cost=\$308,657,000
- Brazoria (improvements to existing system)
 - Federal cost=\$462,626,000
 - Nonfederal cost=\$249,107,000

In order to officially be a nonfederal sponsor, an entity, in this case Brazoria, Jefferson and Orange counties, must each separately sign a Project Partnership Agreement (PPA) or a Design Agreement (DA) with the Corps. These agreements outline what type of work-in-kind activities will be credited toward the 35% cost-share and the responsibilities of the participants. Once signed the GLO will then enter into a Local Cooperation Agreement (LCA) with each district to spell out the terms by which the appropriated funds are release for their portion of the cost-share.

Jefferson County Drainage District 7 (DD7) executed a PPA with the Corps and an LCA with the GLO in November 2019. The GLO has spent \$38 million to cover Jefferson County Drainage District 7's cost-share. We are anticipating an additional request from DD7 of approximately \$58 million soon.

Brazoria County Velasco Drainage District (Velasco) is currently negotiating their PPA with the Corps. The GLO has been simultaneously negotiating an LCA with Velasco during this time. This is the same approach the GLO took with DD7.

Orange County and the U.S. Army Corps of Engineers signed a Design Agreement for the Orange County levee system September 2020. This agreement, which is binding, is meant to serve as a placeholder for a PPA. During the Interim the GLO has been working with the Governor's office and members of our federal congressional delegation throughout this process to support Orange County.

Since the 86th legislature, the State of Texas has not experienced a disaster that resulted in the need to mobilize the GLO for short-term disaster recovery operations. Therefore, the funding provided by the state legislature for the ability to hire and retain FTE's assigned to building short-term housing has not been utilized.

Senate Bill 289

In regard to Senate Bill 289, the GLO was charged with the responsibility of working with the Hazard Reduction and Recovery Center (HRRRC) at Texas A&M University to review local housing recovery plans developed by local communities with the assistance of the HRRRC.

The HRRRC and GLO developed a Local Housing Plan Certification Evaluator tool that would be utilized when evaluating the local plans. The HRRRC and GLO sent the tool to county emergency management coordinators across the State of Texas to solicit their feedback on the tool on August 17, 2020. The HRRRC and GLO recognized the importance of garnering universal understanding and buy-in for the tool before it is implemented as an official tool for reviewing local housing recovery plans.

To date, the GLO has not received a local housing recovery plan for review and certification.

House Committee on Appropriations

Subcommittee on Infrastructure, Resiliency, & Investments

Interim Charge 1 Written Testimony

Texas Water Development Board

*Jeff Walker, Executive Administrator, and Jessica Zuba, Deputy Executive Administrator, Water Supply and Infrastructure
September 2020*

Implementation of Flood-Related Legislation (SB 7 and SB 500)

Background

Senate Bill 7 (SB 7) of the 86th Legislature, Regular Session, established the Texas Infrastructure Resiliency Fund (TIRF) and the Flood Infrastructure Fund (FIF). House Joint Resolution 4 provided for a constitutional amendment creating the FIF as a special fund in the state treasury outside the general revenue fund; Proposition 8 was approved by voters on November 5, 2019.

Texas Infrastructure Resiliency Fund

TIRF accounts

A \$857 million transfer from the ESF was used to fund the TIRF through a Senate Bill 500 (SB 500) supplemental appropriation, of which \$638 million was appropriated to the TWDB. The TIRF consists of four accounts, two of which received appropriations from the 86th legislature:

- Floodplain Management Account, which was appropriated \$47 million
 - To support the development of regional and state flood plans, including base level engineering studies to support their development
 - To support Texas Water Development Board's (TWDB) flood science efforts, including updating flood risk maps; collection of more flood-related data; advancement of river and coastal modeling capabilities; and distribution of critical flood information through an online dashboard
- Hurricane Harvey Account, which is designed to provide nonfederal matching funds to enable local governments to participate in federal programs administered by the Texas Division of Emergency Management (TDEM). The account received \$273 million in appropriations for eligible hazard mitigation measures that reduce future disaster losses and \$365 million in appropriations for public assistance for disaster recovery, including a \$30 million grant to Harris County for the removal of

accumulated siltation and sediment deposits at the confluence of the San Jacinto River and Lake Houston.

- Federal Matching Account, which received no appropriations, to be used by the TWDB to
 - Meet matching requirements for projects funded partially by federal money, including projects funded by the United States Army Corps of Engineers
 - To make a loan to an eligible political subdivision below market interest rates and under flexible repayment terms, including a line of credit or loan obligation with early prepayment terms, to provide financing for the local share of a federally authorized ship channel improvement project
- Flood Plan Implementation Account, to finance projects in the state flood plan, which also received no appropriations from the 86th legislature

TIRF advisory committee

SB 7 created a legislative advisory committee charged with reviewing the overall operation, function, and structure of the TIRF at least semiannually. The committee may provide comments and recommendations on any matter related to the fund.

TIRF transparency requirements

SB 7 directed the TWDB to post information on the agency's website, including information on projects funded and the administrative and operating expenses incurred by the TWDB in administering the resiliency fund.

Flood Infrastructure Fund

A \$793 million one-time transfer from the ESF was used to fund the FIF through a SB 500 supplemental appropriation. The FIF, as administered by the TWDB, was created to provide financial assistance in the form of grants and loans for a drainage, flood mitigation, or flood control projects, including:

- planning and design activities;
- work to obtain regulatory approval to provide nonstructural and structural flood mitigation and drainage; and
- construction of structural flood mitigation and drainage infrastructure

Flood Funding Information Clearinghouse

SB 7 required the TWDB to act as a clearinghouse for information about state and federal flood planning, mitigation, and control programs that may serve as a source of funding for flood projects.

Rulemaking

Texas Infrastructure Resiliency Fund

On December 5, 2019, the TWDB approved the adoption of the publication of the rules relating to the Memoranda of Understanding between the TWDB and the TDEM to provide funding to TDEM for projects related to Hurricane Harvey through the TIRF for the *Federal Emergency Management Agency's* Hazard Mitigation and Public Assistance grant programs and authorized the Executive Administrator (EA) to execute the MOUs with TDEM. The rules were published on October 18, 2019, in the *Texas Register* for public review and no comments were received.

FIF financial assistance program

Public input played a fundamental role in every step of the rulemaking process. Staff conducted 14 workshops across the state and two webinars before developing draft rule language and a proposed general structure for flood financial assistance. A written public comment period was held in conjunction with the release of the proposed language, along with a Board meeting for the specific purpose of receiving public input.

On November 29, 2019, the TWDB approved the publication of a proposed new Title 31 Texas Administrative Code Chapter 363, Subchapter D. Proposed rules were published in the *Texas Register* and on the TWDB website. The proposed rules required entities applying for flood control projects to provide a Memorandum of Understanding between all political subdivisions in a project watershed in accordance with the SB 7 requirement that projects result from collaborative processes. Also required is an affidavit attesting that the applicant has acted cooperatively with other political subdivisions, that all eligible political subdivisions substantially affected by the proposed project have participated in the project development process, that these political subdivisions have held public meetings to accept comment on proposed projects, and that technical requirements for construction projects have been compared against other potential projects in the area. Applications for construction costs must include an analysis of whether the proposed flood project could use floodwater capture techniques for water supply purposes.

The proposed rules also stated that certain details about each funding cycle will appear in an annual Flood Intended Use Plan (Flood IUP). Information appearing in the Flood IUP includes eligibility criteria; the structure of financial assistance, including any subsidies and the prioritization criteria that will be applied to proposed projects. Communicating this information through the Flood IUP rather than codifying it in rule helps the TWDB preserve the flexibility to adjust based on experience as the program matures. On January 30, 2020, the TWDB held a public hearing on the proposed rules. Rules were adopted on March 12, 2020 and became effective April 5, 2020.

Other implementation updates

TIRF

Floodplain Management Account

In addition to funding regional and state planning efforts funded by SB 8 (see following written testimony), the account funds a number of TWDB flood science efforts, some of which are a continuation and expansion of work done in prior biennia. The following is a summary of the status of these activities as of August 2020:

- *Flood gages:* This biennium, the TWDB is funding the installation of an additional 10 flood gages, bringing the statewide network to a total of 60 flood hardened U.S. Geological Survey gages specifically located to enhance flood forecasting and warning capabilities across the state.
- *Flood model calibration:* In Fiscal Year 2021, the TWDB is funding the calibration of model forecast points for 60 high-priority sites in Texas to assist the National Weather Service with providing more accurate flood forecasts.
- *Reservoir flood pools:* This biennium, the TWDB is updating reservoir flood pool capacities and flood pool elevation-area-capacity tables for reservoirs in the state that serve a flood control function, providing information that will inform reservoir management during flood operations and that will enhance flood forecast models.
- *TexMesonet:* The TWDB continues to expand the TexMesonet earth observation and data collection network by installing additional weather stations to address gaps in current network coverage, enhancing tools and products available to stakeholders and the general public, encouraging the integration of existing networks into the TexMesonet through outreach, and improving data quality through improved station maintenance and quality assurance protocols.
- *Coastal Bathymetry:* The TWDB has funded a contractor to assess and improve Texas coastal watershed delineations by the end of Fiscal Year 2022 using high-resolution data sources. These efforts will improve hydrology data sets for flood risk analyses. This biennium, the TWDB is leveraging multiple funding sources (Floodplain Management Account and StratMap Account) to support a contractor to acquire coastal bathymetry to support hydrodynamic model development. Additionally, the TWDB is purchasing additional scientific instrumentation and related software needed to collect datasets that are required to calibrate, verify, and run coastal hydrologic and hydrodynamic models.
- *Mapping:* This biennium, the TWDB is greatly expanding efforts to provide Base Level Engineering mapping and data products statewide. Of the 208 Hydrologic Unit Code (HUC)-8 watersheds in Texas, 17 are currently under contract to be mapped using state funds, and an additional 25 are slated to go under contract in Fiscal Year 2021. In total, 30 HUC-8 watersheds have been mapped to date through combined

TWDB and FEMA efforts, and mapping of the full state through this partnership is expected to be completed by 2024 (see following SB 8 testimony for status update map).

- *Data*: The TWDB is collaborating with the U.S. Geological Survey to expand functionality of the “Flood Decision Support Toolbox.” The tool was originally a collaborative federal effort led by InFRM partners (the National Weather Service, Federal Emergency Management Agency, US Geological Survey, and US Army Corps of Engineers), and this partnership has been extended to include the TWDB. The first phase of the TWDB/USGS partnership, which is scheduled to be completed in January of 2021, will allow users to save maps that they generate, view building footprints, and produce summary damage reports. The second phase of the collaboration, which is scheduled to be completed by the end of Fiscal Year 2021, includes the creation of a dashboard to display damage data depending on flood depth scenario.
- *TexasFlood.org*: The TWDB is also currently redeveloping TexasFlood.org into a standalone website designed to connect the public and decision-makers with critical flood-related information. Information on user needs is being gathered through a stakeholder survey of floodplain administrators and the general public.
- *Lidar*: Texas has complete Lidar coverage for the entire state, which should be available on the TNRIS.org website this fall.

[Hurricane Harvey Account](#)

On January 16, 2020, the TWDB approved the prioritization criteria for hazard mitigation projects as required under Texas Water Code §16.464, setting the path for delivery of funds to TDEM. At its February 13, 2020, Board meeting, the TWDB authorized the EA to receive, process, and approve applications from TDEM for funding from the Hurricane Harvey Account of the TIRF. As of August 18, 2020, the TWDB has delivered \$27 million in funds to TDEM, including \$3.5 million for hazard mitigation grants and \$23.5 million for public assistance grants. The TWDB closed on the \$30 million grant to Harris County on March 12, 2020, and the project is currently in progress.

Funds are expected to be delivered to TDEM for Hurricane Harvey-related project expenses through September 1, 2031, when the remaining balance of the account is transferred to the TIRF Flood Plan Implementation Account per SB 7.

[TIRF advisory committee](#)

The TWDB received written comments from the committee in August 2019 and the agency provided oral and written testimony at the first meeting of the committee on December 10, 2019.

TIRF transparency requirements

The TWDB is currently working with TDEM to create the transparency report, which will be posted on agency's website by fall 2020.

FIF financial assistance program

Matching funds for Flood Mitigation Assistance program grants

In December of 2019, the Board approved \$7,013,767 from the FIF for use as the local match requirement for awarded Flood Mitigation Assistance grants for Federal Fiscal Years 2017 and 2018. FEMA's Flood Mitigation Assistance grant program, administered by the TWDB, can require up to a 25 percent local match in order to receive the federal funds. Frequently, subapplicants lack the financial resources to meet the local match requirement and will pass the local match requirement onto the property owners being mitigated under the grant program. Further, either the subapplicants or the property owners are often unable to provide the local match due to the financial burden associated with continual recovery efforts from flood losses and are unable to continue to participate in the grant leaving structures at risk. In these cases, federal dollars go unused or reallocated to other states. Using the FIF for the local match will ease the financial burden on subapplicants and property owners, ensuring flood mitigation efforts address the long-term risks flood losses.

Flood Intended Use Plan

Prior to the release of the Flood IUP, the draft was published for public comment in late 2019. The draft Flood IUP was updated in response to public comments and posted on the TWDB website on March 16, 2020. Changes to the Flood IUP included:

- expanded list of examples of eligible activities;
- details regarding the required benefit/cost ratio analysis;
- revised MOU section that requires at the abridged application only a list of all eligible political subdivisions required to submit an MOU and a certification that the applicant has provided a copy of the TWDB-approved MOU template and a detailed project description to all on the list;
- clarification of the minimum standard of having and enforcing floodplain management standards;
- revisions to the methods of allocating grant funds;
- eligibilities under each category;
- specific data sources that will be used in grant allocation;
- revision to the prioritization system to expand the definition of "rural applicant" and increase its prioritization points; add disaster declarations to the Emergency Need factor; incorporate the Social Vulnerability Index as the tiebreaker; and add non-structural flood mitigation elements as a new prioritization factor;

- revision to the abridged application to incorporate information the TWDB will need for allocating grant funds and added two certifications related to enforcing floodplain management standards and the MOUs; and
- included a copy of a TWDB-approved MOU template for applicants to use.

The Flood IUP included categories of projects, the standards for loan and grant eligibility associated with each category of eligible activities, along with the prioritization criteria that will be used to rank proposed projects. At the March 12, 2020, TWDB meeting, the Board approved the release of the Flood IUP. At that time the submittal of the abridged applications was opened. Applications were accepted through June 15, 2020. Applications were solicited for the following categories as outlined in the Flood IUP:

- Category 1: Flood Protections Planning for Watersheds
- Category 2: Planning, Acquisition, Design, Construction and/or Rehabilitation (Structural and nonstructural, including nature-based solutions)
- Category 3: Federal Award Matching Grants
- Category 4: Measures immediately effective in protecting life and property (Warning systems, public education and outreach, reverse 911 systems, crossing barriers and dam emergency action plans)

[Abridged applications received](#)

The submittal of the abridged application period closed June 15, 2020. The TWDB received 286 abridged applications for a total of \$2.39 billion in requested funds from all regions of the state; these applications included about \$89 million in requests for category 1 projects; about \$2.2 billion for category 2 projects; about \$153 million for category 3 projects; and about \$4.4 million for category 4 projects. These totals are preliminary and subject to change as projects are further reviewed.

[Prioritization, full applications, and commitments](#)

On September 17, 2020, the Board adopted the final 2020 Flood Intended Use Plan. At that meeting the Board also approved the prioritization for the 2020 Flood Infrastructure Fund cycle and established the amount of funds available for grants and zero-interest loans.

The Board approved \$770,000,000 of available funds for FIF projects, of which \$231,000,000 (30 percent) is allocated to grants and \$539,000,000 (70 percent) is allocated for loans; no project will receive more than \$23,100,000 in grant funding (10 percent of total grant allocation). The interest rate on all loans will be zero percent.

Following Board approval, the TWDB extended invitations for complete financial assistance applications to projects within the available funding. Letters of Intent to Apply were distributed to all entities with projects within the available funding as established by the

Board, as well as some entities with projects below the line, to form a waiting list. Other entities may receive a request for their Intent to Apply should additional funds become available in rank order.

Flood Funding Information Clearinghouse

To implement this provision of SB 7, the TWDB has worked in close cooperation with the Texas General Land Office (GLO), TDEM, and other state agencies to create the Texas Flood Information Clearinghouse website as the first "one-stop-shop" for information on flood mitigation funding opportunities for Texas' communities. Launched in early 2020, the site includes an online "Request for Information" form that entities can submit to get feedback on what state and federal financial assistance programs could be the best fit for their flood mitigation needs. It also includes information on current funding opportunities, general project and entity eligibility by program, upcoming events related to flood mitigation financial assistance, and other resources. In the coming years, the TWDB will continue to work with state and federal partners to improve the site and the process that entities use to seek financial assistance for flood mitigation projects.

The corresponding interagency Flood Information Clearinghouse Committee, or "FLICC," regularly meets to review funding inquiries submitted to the Information Clearinghouse website and to coordinate the use of state and federal funding for flood mitigation projects. The FLICC has been meeting regularly each month since May 2020, with regular participation from the GLO, TDEM, the Texas State Soil and Water Conservation Board, and the Texas Department of Agriculture.

House Committee on Appropriations

Subcommittee on Infrastructure, Resiliency, & Investments

Interim Charge 1 Written Testimony

Texas Water Development Board

Reem Zoun, Director, Flood Planning
September 2020

Implementation of Flood-Related Legislation (SB 8)

Background

Senate Bill 8 (SB 8) of the 86th Legislature, Regular Session, established the framework for the TWDB to institute flood planning across the state.

SB 8 requires the first regional flood plans to be delivered to the Board by January 10, 2023, and the TWDB to prepare and adopt a comprehensive state flood plan not later than September 1, 2024, and every five years after. Further, the bill requires the Board to

- designate flood planning regions,
- designate representatives from each flood planning region to serve as the initial regional flood planning group,
- provide technical and financial support for the RFPs, and
- adopt guidance principles for regional and state flood planning.

SB 8 also requires

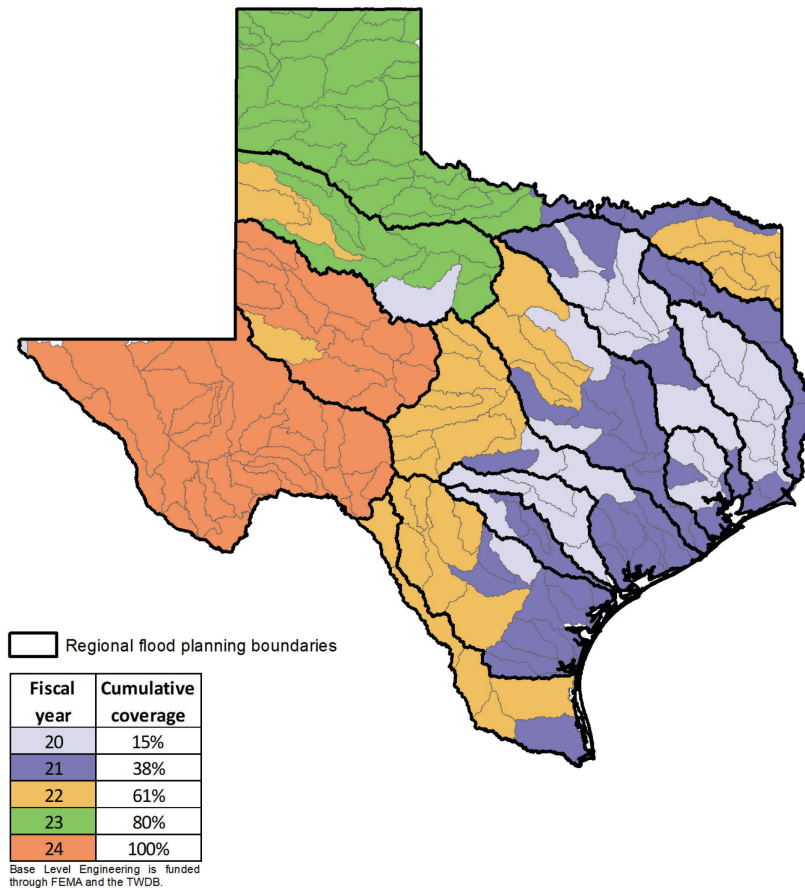
- the Board to make a determination whether the regional flood plans, as adopted and submitted by the RFPs, satisfy the guidance principles, adequately provide for the preservation of life and property and affect a neighboring area;
- that if it is determined that an element of a regional flood plan negatively affects a neighboring area, the Board is required to coordinate with the affected area to adjust the plan to ensure that no neighboring area is negatively affected by the plan;
- the Board to approve a regional flood plan once it satisfies the guidance principles, adequately provides for the preservation of life and property, and does not negatively affect a neighboring area; and
- the Board to rank the projects in the state flood plan and discuss how they might further water development.

The implementation of the regional and state flood planning process, closely emulates the highly successful and well-established state water planning process administered by the TWDB with regard to planning rules, agency staff support, grant contracting via sponsor political subdivisions, and the reliance on technical consultants by regional planning groups. However, without the benefit of previous state flood planning experience in Texas and in light of the various ongoing flood management efforts already occurring across the state, the approach to implementing SB 8 intentionally provides a certain amount of flexibility. This flexibility will allow the process to serve as a broad framework and is intended to foster cooperation and the incorporation of ongoing local and state efforts into the regional flood plans, for example, regional flood planning studies that will be conducted by the GLO. This will allow both the TWDB and the planning groups to identify and accommodate unique ways of addressing the general requirements herein, and to accommodate new or updated flood models, methods, and datasets as they become available.

Senate Bill 500 (SB 500) appropriations to the TIRF Floodplain Management Account supports the implementation of SB 8 by providing funding for both regional flood planning activities and flood science initiatives, including the purchase of lidar data and the development of Base Level Engineering (BLE), which provides approximate floodplain mapping. This mapping is immediately useful to the general public, community officials, emergency responders, and others by visualizing flood risk information. It also provides valuable support to the development of the regional and state flood plans by offering updated models and mapping to inform the planning process.

The data and maps created by BLE are provided online for viewing or download and support development of more detailed maps, local floodplain management activities, local hazard mitigation planning efforts, grant applications, and disaster response. At the end of Fiscal Year 2020, approximately 15 percent of the 208 Hydrologic Unit Code (HUC)-8 watersheds in Texas had BLE completed. Figure 1 shows the plan for providing refreshed flood risk information statewide by 2024.

Figure - 1: Base Level Engineering (BLE) status map for Texas



Flood planning guidance principles

As part of the rulemaking process, both 31 Texas Administrative Code (TAC) Chapters 361 and 362 include a common set of 39 regional and state guidance principles that were developed through face-to-face meetings and correspondence in coordination with Texas Commission on Environmental Quality, the Texas Department of Agriculture, the Texas General Land Office, the Texas Parks and Wildlife Department, the Texas Division of Emergency Management, and the Texas State Soil and Water Conservation Board.

These principles, as contained in proposed rules, were posted for public comment and then adopted by the TWDB as part of the final adoption of the regional and state flood planning rules package on May 7, 2020, well ahead of the September 1, 2021, statutory deadline for principle adoption.

Rulemaking

On May 7, 2020, approximately one year after the passage of SB 8, the TWDB adopted new 31 TAC Chapters 361 and 362 to implement regional and state flood planning.

As a first step in the rulemaking process, the TWDB went on a “listening tour” in the summer of 2019 comprising workshops in 14 cities across Texas and two webinars to receive public input on how the TWDB should undertake its new responsibilities to best serve the needs of communities. In addition to the workshops and webinars, written public comments were accepted via email throughout the month of August 2019.

This preliminary public feedback was considered when the Executive Administrator (EA) proposed the publishing of 31 Texas Administrative Code (TAC) Chapters 361 and 362 relating to regional and state flood planning to solicit further input through a public comment period. Chapter 361 proposes rules regarding RFPGs and regional flood plans. Chapter 362 proposes rules regarding the development of the state flood plan.

The Board approved the publication of the proposed rules at their December 5, 2019, meeting. The proposed rules were posted on the TWDB website following the meeting, and in the *Texas Register* on December 20, 2019, to solicit public comments. Written public comments were received through February 3, 2020, and oral comments were received during a public hearing held at the January 30, 2020, Board meeting.

The public comments received were compiled and reviewed to provide insight for possible revisions to the proposed rules. Comments were received from approximately 45 entities comprising well over 200 pages of written comments. In addition, 15 entities also addressed the Board, in person, at the January 30th public hearing. The vast majority of the comments were regarding the proposed regional flood planning rules under 31 TAC Chapter 361.

The input received from the public during the comment period was thoughtful and constructive, and resulted in beneficial changes to 31 TAC Chapters 361 and 362 pertaining to Regional and State Flood Planning.

The regional flood planning rules will be revisited, as necessary, including after the first regional flood planning cycle when everyone has had an opportunity to identify best practices. Those best practices may, in turn, become the established standards by which future regional flood plans are developed.

The forthcoming regional planning grant contract scope of work and associated technical guidance documents being developed by the EA will provide further clarification on the technical aspects of the regional flood planning process.

Designation of regions

At its December 5, 2019, the Board approved posting a proposed Flood Planning Region boundaries map for public comment on the TWDB website and in the *Texas Register* on January 17, 2020. The proposed boundaries relied partially on public feedback collected during the TWDB's summer 2019 "listening tour."

Written public comments were received through February 3, 2020, and the Board also received oral comments at its January 30, 2020, Board meeting. The EA considered all public comments received regarding the proposed boundaries. The input received during the public comment period was thoughtful and constructive, and resulted in changes to the final boundaries.

On April 09, 2020, the TWDB designated the final 15 flood planning region boundaries (Figure 2).

Figure 2. Flood planning region boundaries



In developing the flood planning regions, coastal basins were combined with adjacent major river basins based on the potential to be influenced by interbasin flooding, ongoing coastal management efforts, and the stream contribution to bays. Smaller river basins were combined with larger basins based on similar types of flooding, relatively small populations, and practical administrative constraints limiting the number of regions that can be adequately supported.

In designating flood planning regions, Texas Water Code § 16.062(b) allows the TWDB to divide river basins to avoid having an impracticably large area for efficient planning. In considering public comments received on the previously proposed boundaries, the EA determined that the benefits of splitting some larger river basins into two flood planning regions would outweigh the risks of the potential for conflicts between upstream and downstream regions.

The divisions of larger river basins as shown in Figure 2 were located based on the diverse conditions across their large area including geography, rainfall, topography, and land use

patterns and to address some of the logistical and membership concerns that have been expressed by stakeholders.

These boundaries together with the Board-adopted final regional flood planning administrative rules that included membership interest requirements, were the basis for initiating the flood planning group member solicitation process.

Designation of initial flood planning group membership

Upon adoption of the final regional flood planning administrative rules, the EA initiated a process to openly solicit potential members to serve on the initial flood planning group of each region. Based on these rules and the membership solicitation, the Board will designate up to 180 initial members to serve in each of the 12 interest positions on each of the 15 planning groups. That process relies on the designated flood planning region boundaries and the initial flood planning group membership requirements as set forth in the final, adopted regional flood planning administrative rules.

The TWDB engaged in extensive outreach including via news and social media and ultimately received over 600 nominations during the membership nomination period. On October 1, 2020, the Board is scheduled to consider designating representatives to serve on the 15 initial regional flood planning groups.

Solicitation for political subdivisions to support flood planning groups

To assist the planning groups in initiating their planning efforts, the TWDB solicited names and prepared a list of entities interested in supporting the 15 groups and will provide the list to the planning groups prior to their first meeting. The planning groups will not be limited to choosing a planning group sponsor from the list provided by the TWDB. There were 30 political subdivisions in 14 of the 15 regions that expressed interest and a willingness to support the 15 regional flood planning groups by

- serving as their designated planning group sponsor; and/or
- providing free public meeting spaces for the RFPG, and attending public, to use regularly.

Each regional flood planning group is responsible for designating a sponsor to apply for and receive financial assistance from the TWDB to develop or revise a regional flood plan. Acting as a planning group sponsor does not mean that the political subdivision will also have an associated voting or non-voting position on the planning group nor does it preclude them from having a representative as a member.

Next steps

Following Board designation of the initial membership of the 12 interest groups per region on October 1, 2020, each member will be notified of their selection to serve. The initial

members of each group will then convene for their first public meetings at which the initial planning group will be expected to consider

- nominating and selecting a chair and vice-chair;
- adoption of group bylaws;
- what additional representative categories, as either voting or non-voting members, might be needed to ensure adequate representation from interests in the flood planning region;
- selecting a political subdivision sponsor to act on behalf of the group including to solicit grant funds from the TWDB and to procure a technical consultant to support the group;
- initiating a request by the political subdivision sponsor to apply for grant funds from the TWDB and initiate a procurement process for a technical consultant; and
- set its next meeting date.



September 30, 2020

Vice Chairman Gene Wu
Members of the Subcommittee on Infrastructure, Resiliency, & Investments
Texas House Committee on Appropriations
Texas Capitol Station
P.O. Box 2910
Austin, TX 78768

Re: Comments on Interim Charge 1

Dear Vice Chairman Wu and members of the House Committee on Appropriations Subcommittee on Infrastructure, Resiliency, & Investments:

I write to you on behalf of the Greater Houston Partnership and the Houston business community, which together spans the 12-county region that has experienced four 500-year floods since 2015. As local and federal efforts to improve our region's flood mitigation infrastructure are underway, we look forward to the forthcoming investments from the state, which are needed to help mitigate devastating floods that are likely to continue to damage homes, businesses, and critical infrastructure, while also claiming lives.

During the 86th Legislative Session we were fortunate to provide input on the creation of Senate Bill 7 (SB 7) and the accompanying \$2 billion contained in Senate Bill 500 (SB 500) for the Flood Infrastructure Fund (FIF), the Texas Infrastructure Resiliency Fund (TIRF), and other coastal and flood infrastructure funding. We now appreciate the opportunity to offer public comments and work with the House Committee on Appropriations and the Subcommittee on Infrastructure, Resiliency, & Investments to ensure the long-term success of state-level investments in flood mitigation and coastal protection and restoration infrastructure.

Within the \$2 billion appropriation, the \$638 million appropriated to TIRF, the \$793 million appropriated to FIF, and the \$200 million appropriated to the General Land Office for U.S. Army Corps of Engineers projects were significant investments by the 86th Legislature that enabled the state to draw down sizeable federal matching funds for disaster recovery and mitigation.

The creation of TIRF and FIF as first-of-their-kind flood recovery and mitigation funds, their accompanying appropriations, and the initial investment in coastal protection and restoration contained in SB 7 and SB 500 were important achievements for Texas. They were just the first step in a long-term commitment to address the tens of billions of dollars in flood mitigation and coastal protection and restoration needs throughout the state.

As projects funded through the SB 7 framework and SB 500 appropriations are implemented, we encourage your committee to evaluate the ROI delivered through these initial investments and consider

additional, timely appropriations that would enable ongoing federal partnerships and the drawdown of available funds for critical flood mitigation and coastal protection and restoration infrastructure projects.

We thank you for your consideration, and we look forward to working with you to advance the best solutions for the strategic, efficient and expedient implementation of these projects across Texas and the greater Houston region.

Sincerely,

A handwritten signature in blue ink that reads "Bob Harvey". The signature is written in a cursive, flowing style.

Bob Harvey
President and CEO



To: Appropriations, Infrastructure, Resiliency, & Investments Sub-Committee

From: Amanda Fuller, Director of Texas Coast and Water Programs, National Wildlife Federation

Date: September 30, 2020

Re: SIRI Invited Testimony on Interim Charge 1

Submitted via email to: Appropriations@house.texas.gov

Chairman Capriglione and Honorable members of the committee, thank you for the opportunity to submit these comments. As Director of the Texas Living Waters Project, I am submitting these joint comments for the Galveston Bay Foundation, Hill Country Alliance, National Wildlife Federation and the Sierra Club-Lone Star Chapter.

We are submitting prepared comments regarding the Committee's Interim Charge #1: Monitor the implementation of disaster-related legislation from the 86th Legislature, including but not limited to SB 7, SB 8, and SB 500. Specifically, our comments focus on the implementation of SB 7 and SB 8, which relate to regional flood planning and mitigation, and the Texas Water Development Board's progress to provide for the planning, development, and financing of drainage, flood mitigation, and flood control projects statewide.

In summation, we believe consideration of the following actions are warranted:

1. Provide additional appropriations for the Flood Infrastructure Fund (FIF) and the Texas Infrastructure Resilience Fund (TIRF).
2. Amend Water Code §15.534 to allow "nontraditional" entities such as nonprofit organizations as entities eligible to receive grants and loans under the Flood Intended Use Plan (FIF).

3. Urge the TWDB to provide additional incentives for nonstructural, including nature-based projects in the Flood Intended Use Plan (FIUP) for State Fiscal Year (SFY) 2021.

The following sections will provide further explanation of these items.

[Provide additional appropriations for the Flood Infrastructure Fund \(FIF\) and the Texas Infrastructure Resilience Fund \(TIRF\).](#)

In 2019 Texas voters approved Proposition 8, to create the Flood Infrastructure Fund (FIF), which the Texas Water Development Board (TWDB) would use to provide financing for flood drainage, mitigation, and control projects. With passage of this constitutional amendment, SB 500 directed a one-time \$793 million transfer was made from the Economic Stabilization Fund (Rainy Day Fund) to create FIF. This spring, eligible applicants applied for \$2.4 billion in projects during the first round of FIF. The TWDB has committed to funding \$770 million in projects, with 70% of this (\$539 million) set to be allocated for loans.

The enormous participation by eligible entities has shown the immense need for financing for flood infrastructure projects in Texas. It has also demonstrated that additional allocations must be made from the Rainy Day Fund to continue to allow funds to be available under FIF. We firmly believe that continued allocation of funds to FIF is required to adequately protect communities from flooding in the state.

However, while additional allocations will be required, we believe that it is imperative that public money be spent wisely. As part of this, we believe that more must be done to ensure that nonstructural, including nature-based projects are funded. Indeed, we want to thank the legislature for ensuring that such nonstructural projects were included in the definition of flood projects that are eligible for financial assistance under FIF under SB 7. However, less than 10% of the FIF project applications received prioritization points for nonstructural projects under the FIUP for SFY 2020.

National Wildlife Federation's recent report, *The Protective Value of Nature*, states: "Evidence suggests that both natural and nature-based approaches for hazard mitigation can be equally or more effective than conventional structural approaches, and they are often more cost-effective." Further, nonstructural, including nature-based flood mitigation projects provide communities with multiple benefits year-round. Such benefits include improved air and water quality, habitat benefits, and increased recreational opportunities. Therefore, in addition to future FIF allocations, we believe that FIF should include a set aside for nonstructural, including nature-based projects. As an example, in 2015, the State Water Implementation Fund for Texas (SWIFT) was created by the Texas Legislature to provide affordable, ongoing state financial assistance for projects in the state water plan. An exciting aspect of the SWIFT program is the commitment at the direction of the Legislature to use at least 20% of funding to provide low interest loans for

conservation projects that will generate greater water efficiency in both urban and rural areas. Having a similar focus on non-structural solutions for the FIF could similarly be of great benefit to Texas flood control projects. Such a set aside could be provided in the appropriations language, an amendment to the Water Code §15.537, T.A.C. §363.405 (relating to use of funds), or as a substantive amendment to subsequent Flood Intended Use Plans (FIUPs). Providing a set aside would ensure that public money is spent wisely and provide benefits to communities year round.

Further, we believe that the legislature should monitor the funds available under the Texas Infrastructure Resiliency Fund's (TIRF) Flood Plan Implementation Account. This account should provide sufficient funds available for Regional Flood Planning Groups to ensure equity and accessibility in the administration of these groups. For example, translations services, public notices, and training are among the few services that may be required in order for the Regional Flood Planning Groups to work equitably and efficiently. If the RFPGs need additional funding to effectively manage their activities, more money should be allocated to the Flood Plan Implementation Account.

[Ensure that entities with the expertise on nonstructural, including nature-based projects are eligible to apply for FIF funds.](#)

As noted above, Senate Bill 7 recognized the importance of nonstructural projects in protecting Texans from flooding. However, the overwhelming majority of entities that applied for FIF financing requested funds for structural projects. We believe that much of this is due to the fact that eligible political subdivisions are often not the experts when it comes to nonstructural flood protection projects. Instead, entities with the most knowledge of these innovative and important projects include nongovernmental and nonprofit organizations such as land trusts.

However, nongovernmental and nonprofit organizations such as land trusts are not eligible to apply for financial assistance under FIF. While such entities may be able to partner with local governments, and could potentially take care of easements after the eligible political subdivision acquires an interest in a piece of land, that process is lengthy and burdensome for all parties – resulting in a lack of partnerships between nonprofit organizations and eligible political subdivisions.

Therefore, in order to encourage entities with the most experience with nonstructural projects, including nature-based flood projects, we urge the legislature to amend Water Code §15.534 to allow “nontraditional” entities such as nongovernmental and nonprofit organizations, as entities eligible to receive grants and loans under FIF. While nongovernmental and nonprofit organizations often do not have a dedicated repayment stream necessary for loans, grant options available for such entities would ensure future investments in nonstructural projects. Because of their expertise and the importance of funding nonstructural, including nature-based projects, we

believe that allowing nongovernmental and nonprofit organizations to apply for FIF funds would help ensure proper use of taxpayer dollars.

[Urge the TWDB to provide additional incentives for nonstructural, including nature-based projects in the FIUP for SFY 2021.](#)

In addition to set asides for nonstructural projects, and extending the list of eligible entities to include nongovernmental and nonprofit organizations, we believe that the TWDB could provide additional incentives for nonstructural, including nature-based projects in the FIUP for SFY 2021.

There are multiple ways the TWDB could further incentivize nonstructural, including nature-based projects. First, the TWDB could provide a higher percentage of grants for green projects in categories 2-4. Second, the TWDB may provide additional prioritization points for nonstructural projects. Third, the legislature could request that the TWDB report on how FIF is being used to fund nonstructural, including nature-based projects. Fourth, the TWDB could add a separate project category for nonstructural including nature-based projects. The incorporation of these incentives in the FIUP for SFY 2021, in addition to the eligibility of nontraditional applicants will encourage entities to apply for nonstructural, including nature-based projects that provide multiple benefits for communities year-round, and are often more cost-effective and self-maintaining.

Thank you for offering us the opportunity to provide this input as you consider the interim charges in preparation for the regular session of the 87th Texas Legislature.