88R13543 JAM-D

By:  Lopez of Cameron H.B. No. 4742

A BILL TO BE ENTITLED

AN ACT

relating to the provision of financial assistance from the flood infrastructure fund for certain projects.

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

SECTION 1.  Section 15.531, Water Code, is amended by amending Subdivisions (1) and (2) and adding Subdivision (1-a) to read as follows:

(1)  "Artificial drainage system" means a system to remove floodwater in a community that lacks topographic relief, slope, and naturally defined floodways.

(1-a)  "Eligible political subdivision" means a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county.

(2)  "Flood project" means a drainage, flood mitigation, or flood control project, including:

(A)  planning and design activities;

(B)  work to obtain regulatory approval to provide nonstructural and structural flood mitigation and drainage;

(C)  construction of structural flood mitigation and drainage infrastructure, including an artificial drainage system; and

(D)  construction and implementation of nonstructural projects, including projects that use nature-based features to protect, mitigate, or reduce flood risk.

SECTION 2.  Subchapter I, Chapter 15, Water Code, is amended by adding Section 15.5345 to read as follows:

Sec. 15.5345.  PRIORITIZATION OF AND LOAN FORGIVENESS FOR PROJECTS BY CERTAIN DISTRICTS OR AUTHORITIES. (a) This section applies only to an eligible political subdivision that is a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, and that:

(1)  is located in a county located on the international border; and

(2)  has completed a hydrologic and hydraulic study for the territory of the district or authority.

(b)  The board by rule shall establish a program that:

(1)  prioritizes the provision from the fund of grants or no-interest loans to a district or authority for the construction or improvement of an artificial drainage system; and

(2)  provides loan forgiveness for a loan made under Subdivision (1) for the construction of an artificial drainage system.

(c)  The board by rule shall adopt scoring criteria to prioritize projects by a district or authority that are eligible for financial assistance under this section. The criteria must give priority to artificial drainage projects in areas with low or moderate income that have a regional effect and who serve communities for whom drainage problems have a demonstrated effect on human health.

(d)  Loan forgiveness described by Subsection (b)(2) may, for a period not to exceed five years, annually forgive not less than 10 percent or more than 20 percent of a loan made from the fund under this section.

SECTION 3.  Section 15.536, Water Code, is amended to read as follows:

Sec. 15.536.  APPROVAL OF APPLICATIONS. (a) On review and recommendation by the executive administrator, the board may approve an application only if the board finds that:

(1)  the application and the assistance applied for meet the requirements of this subchapter and board rules;

(2)  the application demonstrates a sufficient level of cooperation among eligible political subdivisions and includes all of the eligible political subdivisions substantially affected by the flood project; and

(3)  the taxes or other revenue, or both the taxes and other revenue, pledged by the applicant will be sufficient to meet all the obligations assumed by the eligible political subdivision.

(b)  Subsection (a)(3) does not apply to an application for a loan to a district or authority under Section 15.5345.

SECTION 4.  This Act takes effect September 1, 2023.