

By: Ashby

H.B. No. 289

A BILL TO BE ENTITLED

AN ACT

relating to the Rural Infrastructure Disaster Recovery Program.

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

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

SUBCHAPTER D-1. RURAL INFRASTRUCTURE DISASTER RECOVERY PROGRAM

Sec. 418.081. DEFINITIONS. In this subchapter:

(1) "Account" means the rural infrastructure disaster recovery account created under Section 418.086.

(2) "Critical infrastructure" includes:

(A) a road;

(B) a public school;

(C) a hospital or other health care facility;

(D) a water intake structure, water treatment facility, wastewater treatment plant, or pump station;

(E) utility-scale water or wastewater storage, treatment, or transmission facilities; and

(F) airport facilities used for the landing, parking, refueling, shelter, or takeoff of aircraft, maintenance or servicing of aircraft, aircraft equipment storage, or navigation of aircraft.

(3) "Disaster area" means an area in this state declared to be a disaster area by the governor.

(4) "Eligible political subdivision" means a

political subdivision that meets the qualifications prescribed by Section 418.083.

(5) "Political subdivision," notwithstanding Section 418.004, means a county, municipality, special district, school district, junior college district, or other political subdivision of this state.

Sec. 418.082. RURAL INFRASTRUCTURE DISASTER RECOVERY PROGRAM. (a) The division shall establish and administer a rural infrastructure disaster recovery program in accordance with this subchapter to benefit eligible political subdivisions. The program must be designed to provide financial assistance in the form of grants to rural communities located in a disaster area for the purpose of rebuilding and repairing critical infrastructure damaged by a disaster.

(b) The division may make grants in accordance with this subchapter using money appropriated to the division for the purposes of this subchapter.

Sec. 418.083. ELIGIBILITY FOR GRANT. A political subdivision is eligible to apply to the division for a grant under this subchapter if the political subdivision is:

(1) a county:

(A) that:

(i) has a population of less than 100,000;

(ii) has a gross domestic product of less than \$3 billion;

(iii) has a poverty rate greater than 10 percent; and

1 (iv) is located wholly or partly in a
2 disaster area; and

3 (B) for which the total dollar amount of damages
4 resulting from the disaster, as shown in an assessment of damages
5 prepared after the disaster, exceeds the amount equal to 10 percent
6 of the state and local sales and use taxes collected in the county
7 during the state fiscal year preceding the year in which the
8 disaster occurs; or

9 (2) a political subdivision other than a county that
10 is wholly or partly located in a county described by Subdivision
11 (1).

12 Sec. 418.084. GRANT PROGRAM. (a) The division may make a
13 grant to an eligible political subdivision using money in the
14 account to assist in the rebuilding or repair of critical
15 infrastructure located in the eligible political subdivision that
16 is damaged by a disaster that may reasonably be considered a public
17 calamity.

18 (b) The proceeds of a grant made by the division using money
19 in the account may not be used by the eligible political subdivision
20 receiving the grant for any purpose other than the purpose
21 described by Subsection (a).

22 Sec. 418.085. APPLICATION FOR GRANT. (a) The division
23 shall establish an application process for a grant under this
24 subchapter.

25 (b) At a minimum, an application must include:

26 (1) a description of the infrastructure repair or
27 rebuild project for which the applicant is requesting the grant;

1 (2) an estimate of the total cost of the project;

2 (3) documentation that the project does not qualify
3 for federal funding through the Federal Emergency Management
4 Agency; and

5 (4) any other information the division requests to
6 determine whether the applicant is an eligible political
7 subdivision.

8 Sec. 418.086. RURAL INFRASTRUCTURE DISASTER RECOVERY
9 ACCOUNT. (a) The rural infrastructure disaster recovery account
10 is established as an account in the general revenue fund with the
11 comptroller, to be administered by the division.

12 (b) The division may use the rural infrastructure disaster
13 recovery account only for:

14 (1) making a grant to an eligible political
15 subdivision; and

16 (2) paying the necessary and reasonable expenses of
17 administering the grant.

18 (c) The account consists of:

19 (1) money appropriated, credited, or transferred to
20 the account by the legislature;

21 (2) gifts or grants contributed to the account; and

22 (3) interest earned on deposits and investments of the
23 account.

24 Sec. 418.087. RULES. The division shall adopt rules
25 necessary to administer this subchapter, including rules
26 establishing procedures for the application for and award of
27 grants, distribution of grants, and administration of grants and

1 the grant program established under this subchapter.

2 SECTION 2. (a) This section takes effect only if this Act
3 receives the vote necessary for immediate effect as provided by
4 Section 4 of this Act. If this Act does not receive the vote
5 necessary for immediate effect as provided by Section 4 of this Act,
6 this section has no effect.

7 (b) Chapter 605 (H.B. 3010), Acts of the 89th Legislature,
8 Regular Session, 2025, is repealed.

9 SECTION 3. (a) This section takes effect only if this Act
10 takes effect on the 91st day following the last day of the
11 legislative session as provided by Section 4 of this Act. If this
12 Act receives the vote necessary for immediate effect as provided by
13 Section 4 of this Act, this section has no effect.

14 (b) Subchapter [D-1](#), Chapter [418](#), Government Code, as added
15 by H.B. 3010, Acts of the 89th Legislature, Regular Session, 2025,
16 and effective September 1, 2025, is repealed.

17 SECTION 4. This Act takes effect immediately if it receives
18 a vote of two-thirds of all the members elected to each house, as
19 provided by Section [39](#), Article III, Texas Constitution. If this
20 Act does not receive the vote necessary for immediate effect, this
21 Act takes effect on the 91st day after the last day of the
22 legislative session.