

By: Morales Shaw

H.B. No. 188

A BILL TO BE ENTITLED
AN ACT

relating to the creation of the Texas Rural Emergency Preparedness Fund for flood-prone communities.

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

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

SUBCHAPTER K. TEXAS RURAL EMERGENCY PREPAREDNESS FUND

Sec. 418.401. DEFINITIONS. In this subchapter:

(1) "Eligible entity" means a county with a population of 100,000 or less, a municipality with a population of 25,000 or less, an emergency services district, a volunteer fire department serving a rural area, or a regional council of governments acting on behalf of multiple eligible entities.

(2) "Flood-prone area" means an area that is located within the 100-year floodplain as designated by the Federal Emergency Management Agency, has experienced two or more flooding events within the preceding 15 years that resulted in damage to public or private property, or has been identified by the Texas Water Development Board or the Texas Commission on Environmental Quality as having significant flood risk.

(3) "Fund" means the Texas Rural Emergency Preparedness Fund established under Section 418.402.

(4) "Preparedness project" means an activity designed to enhance emergency preparedness, response capabilities, or flood mitigation in a flood-prone area, including emergency management training and

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certification programs; evacuation planning and exercises; emergency communication systems and equipment; early warning systems, including sirens and notification systems; emergency operations centers and equipment; emergency response equipment; community emergency preparedness education programs; emergency shelter improvements and supplies; and hiring or training of emergency management personnel.

Sec. 418.402. TEXAS RURAL EMERGENCY PREPAREDNESS FUND. (a) The Texas Rural Emergency Preparedness Fund is established as a dedicated account in the general revenue fund. The fund is administered by the division.

(b) The fund consists of:

(1) money appropriated to the fund by the legislature;

(2) grants, gifts, or donations received for the fund;

(3) federal funds allocated to the fund; and

(4) interest earned on investments of the fund.

(c) Money in the fund may be used only for:

(1) grants to eligible entities for preparedness projects;

(2) training provided by the division to eligible entities; and

(3) administrative costs of the division in implementing this subchapter, not to exceed five percent of the annual appropriation to the fund.

Sec. 418.403. GRANT PROGRAM ADMINISTRATION. (a) The division shall establish and administer a grant program using money from the fund to provide financial assistance to eligible entities in flood-prone areas for preparedness projects.

(b) The division shall:

(1) develop application procedures and forms for grants;

(2) establish criteria for evaluating and prioritizing grant applications;

(3) provide technical assistance to eligible entities in applying for grants;

(4) monitor compliance with grant requirements; and

(5) evaluate the effectiveness of funded preparedness projects.

(c) The division shall give priority to applications from eligible entities that:

(1) demonstrate a history of flooding or high flood risk;

(2) show limited financial resources for emergency preparedness activities;

(3) propose projects with measurable preparedness or mitigation benefits;

(4) coordinate with neighboring jurisdictions or regional entities; and

(5) incorporate public-private partnerships or volunteer organizations.

Sec. 418.404. GRANT REQUIREMENTS. (a) A grant awarded under this subchapter:

(1) may not exceed \$500,000 per eligible entity per state fiscal year;

(2) must be used only for preparedness projects in flood-prone areas;

(3) may not be used for routine operational expenses not directly related to emergency preparedness; and

(4) must be expended within two years of the date the grant is awarded.

(b) An eligible entity that receives a grant must:

(1) use the grant money in accordance with the approved application;

(2) submit quarterly progress reports to the division;

(3) maintain records of all expenditures; and

(4) allow the division to inspect preparedness projects and records.

(c) The division may require repayment of grant money that is not used for approved purposes or that is not expended within the timeframe specified in the grant agreement.

Sec. 418.405. COORDINATION WITH EXISTING PROGRAMS. (a) The division shall coordinate the grant program established under this subchapter with existing federal, state, and local emergency preparedness and hazard mitigation programs to:

(1) avoid duplication of funding;

(2) maximize the effectiveness of preparedness investments; and

(3) ensure compliance with applicable federal requirements.

(b) The division may not award a grant for a project that is eligible for funding through the Federal Emergency Management Agency's hazard mitigation assistance programs unless:

(1) the eligible entity has applied for federal funding and been denied; or

(2) federal funding is insufficient to complete the project.

(c) Grant recipients are encouraged to use fund money as matching funds for federal grant programs when allowable under federal law.

Sec. 418.406. REPORTING REQUIREMENTS. (a) Not later than December 1 of each year, the division shall submit a report to the governor, the lieutenant governor, and the speaker of the house of representatives that includes:

(1) the number of grants awarded during the preceding state fiscal year;

(2) the total amount of grants awarded;

(3) a description of preparedness projects funded;

(4) an assessment of the program's effectiveness in enhancing emergency preparedness in rural flood-prone areas; and

(5) recommendations for improving the program.

(b) The division shall maintain public records of all grants awarded, including the recipient, amount, and purpose of each grant.

Sec. 418.407. RULES. The division shall adopt rules necessary to implement this subchapter, including:

(1) application procedures and requirements;

(2) grant evaluation and selection criteria;

(3) grant agreement terms and conditions;

(4) reporting and monitoring requirements; and

(5) procedures for grant compliance and enforcement.

Sec. 418.408. GRANT PROGRAM FUNDING. (a) For the state fiscal year beginning September 1, 2025, the legislature shall appropriate \$10 million to the Texas Rural Emergency Preparedness Fund from general revenue.

(b) The division shall begin accepting grant applications not later than March 1, 2026.

SECTION 2. Not later than March 1, 2026, the Chief of the Texas Division of Emergency Management shall adopt the rules required by Section 418.407, Government Code, as added by this Act.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.