**BILL ANALYSIS**

|  |  |
| --- | --- |
| Senate Research Center | S.B. 1967 |
| 89R8207 CMO-F | By: Hinojosa, Juan "Chuy"; Hinojosa, Adam |
|  | Water, Agriculture and Rural Affairs |
|  | 4/2/2025 |
|  | As Filed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In 2019, the 86th Texas Legislature established the Texas Flood Infrastructure Fund (FIF), which provides financial support to communities for the planning, design, construction of drainage, flood mitigation, and flood control projects. Administered by the Texas Water Development Board (TWDB), FIF provides financial assistance to political subdivisions (cities, counties, or state-established districts or authorities) in the form of grants and zero-interest loans.

Hidalgo County Drainage District No. 1 (HCDD1) is actively developing the Delta Reclamation Project (Delta Project), a transformative initiative to reclaim water from its extensive network of man-made drainage systems. This effort stems from the unique challenges faced by the region, including recurrent flooding, non-absorbent soils, flat topography, and significant distances from natural outfalls. Once complete, the Delta Project would be a multi-purpose project that will repurpose water from daily drainage runoff and turning it into a new water source for potable drinking water and provide flood mitigation from sister detention ponds that are being proposed. Currently, most existing TWDB programs are not well-suited for the Delta Project. TWDB feedback indicated that the Delta Project either did not meet eligibility criteria or would not rank competitively for funding under these programs.

S.B. 1967 amends Section 15.531 of the Water Code to make projects like the Delta Project eligible for funding under FIF. The bill expands the definition of "flood project" to include multi-purpose flood mitigation projects. These projects must control, divert, capture, or impound floodwater, stormwater, agricultural runoff water, or treated wastewater effluent and treat and distribute the water to create an additional water supply source.

As proposed, S.B. 1967 amends current law relating to the projects eligible for financial assistance from the flood infrastructure fund.

**RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 15.531(2), Water Code, as follows:

(2) Provides that "flood project" means a drainage, flood mitigation, or flood control project, including construction of multi-purpose flood mitigation and drainage infrastructure projects that control, divert, capture, or impound floodwater, stormwater, agricultural runoff water, or treated wastewater effluent and treat and distribute the water for the purpose of creating an additional source of water supply. Makes nonsubstantive changes.

SECTION 2. Effective date: September 1, 2025.