

BILL ANALYSIS

C.S.H.B. 3010

By: Ashby

Homeland Security, Public Safety & Veterans' Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

According to a report from Texas 2036 citing the National Oceanic and Atmospheric Administration, Texas has experienced the most billion-dollar disasters and extreme weather events in the United States. The bill author has informed the committee that rural areas, and especially those with a high poverty rate, often have difficulty recovering from these disasters due to a dearth of financial resources to repair damaged infrastructure and that this lack of financial resources leaves children unable to reach their schools, deprives thousands of homes of safe drinking water, and hinders businesses' ability to operate. C.S.H.B. 3010 seeks to address these issues by establishing the rural infrastructure disaster recovery program, administered by the Texas Division of Emergency Management, to provide funds to eligible political subdivisions to rebuild and repair critical infrastructure in such a political subdivision that is damaged by a disaster.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Division of Emergency Management in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 3010 amends the Government Code to require the Texas Division of Emergency Management (TDEM) to establish and administer a rural infrastructure disaster recovery program to benefit eligible political subdivisions. The bill requires the program to 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. The bill authorizes TDEM to make grants in accordance with the bill's provisions using money appropriated to TDEM for the program's purposes.

C.S.H.B. 3010 makes a political subdivision eligible to apply to TDEM for a disaster recovery grant under the bill's provisions if the political subdivision meets the following criteria:

- is a county:
 - that has a population of less than 100,000, has a gross domestic product of less than \$2 billion, has a poverty rate greater than 15 percent, and is located wholly or partly in a disaster area; and
 - for which the total dollar amount of damages resulting from the disaster, as shown in an assessment of damages prepared after the disaster, exceeds the amount equal to 10 percent of the state and local sales and use taxes collected in

the county during the state fiscal year preceding the year in which the disaster occurs; or

- is a political subdivision other than a county that is wholly or partly located in such a county.

C.S.H.B. 3010 establishes the infrastructure disaster recovery account as an account in the general revenue fund with the comptroller of public accounts, to be administered by TDEM, from which the bill authorizes the use of the account only for making a grant to an eligible political subdivision and for paying the necessary and reasonable expenses of administering the grant. The bill establishes that the account consists of the following:

- money appropriated, credited, or transferred to the account by the legislature;
- gifts or grants contributed to the account; and
- interest earned on deposits and investments of the account.

The bill authorizes TDEM to make a grant to an eligible political subdivision using money in the account to assist in the rebuilding or repair of critical infrastructure located in the eligible political subdivision that is damaged by a disaster that may reasonably be considered a public calamity. The bill prohibits the proceeds of such a grant from being used by the eligible political subdivision receiving the grant for any purpose other than that purpose.

C.S.H.B. 3010 requires TDEM to establish an application process for a grant under the bill and requires the application, at a minimum, to include the following:

- a description of the infrastructure repair or rebuild project for which the applicant is requesting the grant;
- an estimate of the total cost of the project;
- documentation that the project does not qualify for federal funding through FEMA; and
- any other information TDEM requests to determine whether the applicant is an eligible political subdivision.

C.S.H.B. 3010 requires TDEM to adopt rules necessary to administer the bill's provisions, including rules establishing procedures for the application for and award of grants, distribution of grants, and administration of grants and the grant program.

C.S.H.B. 3010 defines the following terms:

- "critical infrastructure" to include a road, a public school, a hospital or other health care facility, a water intake structure, water treatment facility, wastewater treatment plant, or pump station, a utility-scale water or wastewater storage, treatment, or transmission facilities, and 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;
- "disaster area" as an area in Texas declared to be a disaster area by the governor; and
- "political subdivision" as a county, municipality, special district, school district, junior college district, or other political subdivision of Texas.

EFFECTIVE DATE

September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 3010 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Both the introduced and the substitute set out minimum application requirements for a grant provided under the bill. The substitute includes a requirement absent from the introduced that

the application include documentation that the applicable project does not qualify for federal funding through FEMA.

Whereas the introduced restricted the use of money in the rural infrastructure disaster recovery account to the provision of a grant in the manner provided by the bill, the substitute restricts the use of the account to the following purposes:

- making a grant to an eligible political subdivision; and
- paying the necessary and reasonable expenses of administering the grant.

The substitute includes a provision absent from the introduced requiring TDEM to adopt rules necessary to administer the bill's provisions.