By: Ashby, et al. (Senate Sponsor - Nichols)

(In the Senate - Received from the House May 6, 2025;
May 7, 2025, read first time and referred to Committee on Finance;
May 23, 2025, reported favorably by the following vote: Yeas 15, 1-1 1-2 1-3 1-4 1-5 Nays 0; May 23, 2025, sent to printer.)

1-6 COMMITTEE VOTE

1-7		Yea	Nay	Absent	PNV
1-8	Huffman	X			•
1-9	Hinojosa of Hidalgo	Χ			
1-10	Alvarado	X			•
1-11	Bettencourt	X			•
1-12	Campbell	X			•
1-13	Creighton	X			
1-14	Flores	X			
1-15	Hall	X			•
1-16	Kolkhorst	X			
1-17	Nichols	X			
1-18	Paxton	X			
1-19	Perry	X			
1-20	Schwertner	X			
1-21	West	X			
1-22	Zaffirini	X			

1-23 A BILL TO BE ENTITLED 1-24 AN ACT

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1-25 relating to the establishment of the Rural Infrastructure Disaster 1-26 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

418.081. DEFINITIONS. In this subchapter:

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

"Critical infrastructure" includes: (2)

> (A) a road;

(B)

a public school; a hospital or other health care facility; (C

a water intake structure, water treatment (D)

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 landing, 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 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 Sec. 418.082. 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

2-1 damaged by a disaster.

2-2 (b) The division may make grants in accordance with this 2-3 subchapter using money appropriated to the division for the 2-4 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 \$2 billion;

(iii) has a poverty rate greater than 15

percent; and

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(iv) is located wholly or partly in a

disaster area; and

- (B) 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
- (2) a political subdivision other than a county that is wholly or partly located in a county described by Subdivision (1).
- Sec. 418.084. GRANT PROGRAM. (a) The division may 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.
- (b) The proceeds of a grant made by the division using money in the account may not be used by the eligible political subdivision receiving the grant for any purpose other than the purpose described by Subsection (a).
- Sec. 418.085. APPLICATION FOR GRANT. (a) The division shall establish an application process for a grant under this subchapter.

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

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

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

- (3) documentation that the project does not qualify for federal funding through the Federal Emergency Management Agency; and
- (4) any other information the division requests to determine whether the applicant is an eligible political subdivision.
- Sec. 418.086. RURAL INFRASTRUCTURE DISASTER RECOVERY ACCOUNT. (a) The rural infrastructure disaster recovery account is established as an account in the general revenue fund with the comptroller, to be administered by the division.
- (b) The division may use the rural infrastructure disaster recovery account only for:
- (1) making a grant to an eligible political subdivision; and
- (2) paying the necessary and reasonable expenses of administering the grant.

(c) The account consists of:

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

Sec. 418.087. RULES. The division shall adopt rules necessary to administer this subchapter, including rules establishing procedures for the application for and award of grants, distribution of grants, and administration of grants and the grant program established under this subchapter.

H.B. No. 3010 3-1 SECTION 2. This Act takes effect September 1, 2025.

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