

By: Schofield

H.B. No. 4659

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to an interim study of the financing of regional projects  
3 and facilities to convert from groundwater to surface water.

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

5 SECTION 1. WORKING GROUP. (a) A working group is formed to  
6 study, review, and report to the legislature on the methods for  
7 financing or refinancing the regional water projects and facilities  
8 to convert from groundwater to surface water.

9 (b) The working group is composed of representatives of the  
10 Texas Water Development Board, the Texas Public Finance Authority,  
11 and the local governments in Harris and Fort Bend counties that have  
12 borrowed money for surface water conversion projects from the Texas  
13 Water Development Board. The participation of said local  
14 governments is not mandatory and the lack of participation by any  
15 local government shall not affect the ability of the working group  
16 to proceed.

17 (c) The chair of the Texas Water Development Board, or her  
18 designee, shall serve as chair of the working group.

19 (d) The working group shall convene at the call of the  
20 chair.

21 (e) All members of the Texas House or Texas Senate may  
22 request to be kept informed of the working group's progress.

23 SECTION 2. STUDY. The working group formed by this Act  
24 shall study:

1           (1) the extensive useful life of regional facilities  
2 and improvements to convert from groundwater to surface water;

3           (2) the comparatively short period of time of the  
4 financing of the cost of such facilities;

5           (3) the economic impact to current water users in  
6 paying the costs of facilities that will provide service for future  
7 water users;

8           (4) the terms of current and anticipated financings of  
9 the costs of facilities;

10          (5) the goal of more even distribution of the costs so  
11 that they are born by the users throughout the useful life of the  
12 project;

13          (6) the fairness and equity benefits to the water  
14 users of extension of financings for longer periods of time  
15 compared to the potential increase in financing costs;

16          (7) methods for the financing and refinancing of  
17 projects so that the cost of the projects are more evenly  
18 distributed and born by the users throughout the useful life of the  
19 project;

20          (8) policies and procedures of the State and the Texas  
21 Water Development Board that can better accomplish the goal of  
22 better distribution of the cost burden;

23          (9) whether the Texas Water Development Board's  
24 financing terms and conditions of existing and future borrowings  
25 can be improved to better accomplish the goal of better  
26 distribution of the cost burden;

27          (10) whether funding could be applied to refinance or

1 restructure existing financings;

2 (11) whether costs of the projects could be funded by  
3 grants instead of loans or whether the State or the Texas Water  
4 Development Board could forgive loans or portions of loans to  
5 better accomplish the goal of better distribution of the cost  
6 burden; and

7 (12) whether potential measures that could further the  
8 goal of more even distribution of the costs so that they are born by  
9 the users throughout the useful life of the project are precluded by  
10 state law, and what changes to state law would be necessary to  
11 enable their adoption.

12 SECTION 3. FINDINGS AND RECOMMENDATIONS. (a) If the  
13 working group determines that changes and improvements by the State  
14 or its agencies, including the Texas Water Development Board, are  
15 warranted and possible without further legislative authorization,  
16 the working group shall seek implementation of those changes and  
17 improvements.

18 (b) Not later than September 1, 2024, the working group  
19 formed by this Act shall report the working group's findings and  
20 recommendations to the lieutenant governor, the speaker of the  
21 house of representatives, and the governor.

22 SECTION 4. EXPIRATION. This Act expires September 1, 2025.

23 SECTION 5. EFFECTIVE DATE. This Act takes effect  
24 immediately if it receives a vote of two-thirds of all the members  
25 elected to each house, as provided by Section 39, Article III, Texas  
26 Constitution. If this Act does not receive the vote necessary for  
27 immediate effect, this Act takes effect September 1, 2023.