

AN ACT

relating to the eligibility of certain political subdivisions to receive certain financial assistance administered by the Texas Water Development Board.

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

SECTION 1. Section 15.001, Water Code, is amended by adding Subdivision (14) to read as follows:

(14) "Rural political subdivision" means:

(A) a nonprofit water supply or sewer service corporation created and operating under Chapter 67 of this code or a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, no part of the service area of which is located in an urban area with a population of more than 50,000;

(B) a municipality:

(i) with a population of 10,000 or less part of the service area of which is located in an urban area with a population of 50,000 or more; or

(ii) located wholly in a county in which no urban area has a population of more than 50,000;

(C) a county in which no urban area has a population of more than 50,000; or

(D) an entity that:

(i) is a nonprofit water supply or sewer

1 service corporation created and operating under Chapter 67 of this
2 code, a district or authority created under Section 52, Article
3 III, or Section 59, Article XVI, Texas Constitution, a
4 municipality, county, or other political subdivision of the state,
5 or an interstate compact commission to which the state is a party;
6 and

7 (ii) demonstrates in a manner satisfactory
8 to the board that the entity is rural or the area to be served by the
9 project is a wholly rural area despite not otherwise qualifying
10 under Paragraph (A), (B), or (C).

11 SECTION 2. Section 15.434(b), Water Code, is amended to
12 read as follows:

13 (b) Of the money disbursed from the fund during the
14 five-year period between the adoption of a state water plan and the
15 adoption of a new plan, the board shall undertake to apply not less
16 than:

17 (1) 10 percent to support projects described by
18 Section 15.435 that are for:

19 (A) rural political subdivisions [~~as defined by~~
20 ~~Section 15.992~~]; or

21 (B) agricultural water conservation; and

22 (2) 20 percent to support projects described by
23 Section 15.435, including agricultural irrigation projects, that
24 are designed for water conservation or reuse.

25 SECTION 3. Section 17.001, Water Code, is amended by adding
26 Subdivision (26) to read as follows:

27 (26) "Rural political subdivision" has the meaning

1 assigned by Section 15.001.

2 SECTION 4. Section 17.9615(a), Water Code, is amended to
3 read as follows:

4 (a) The board may direct the comptroller to transfer amounts
5 from the financial assistance account to the rural water assistance
6 fund to provide financial assistance to rural political
7 subdivisions under this subchapter for the purposes provided in
8 Section 15.994.

9 SECTION 5. Section 15.992(4), Water Code, is repealed.

10 SECTION 6. This Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 469 passed the Senate on April 27, 2023, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 469 passed the House on May 24, 2023, by the following vote: Yeas 118, Nays 20, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor