

By: Wise

H.B. No. 1875

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the water infrastructure fund, rural water assistance  
3 fund, rural community water and wastewater loan fund, and colonia  
4 self-help account.

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

6 SECTION 1. Section 15.903, Water Code, as added by Chapter  
7 966, Acts of the 77th Legislature, Regular Session, 2001, is  
8 amended to read as follows:

9 Sec. 15.903. WATER INFRASTRUCTURE FUND. (a) The water  
10 infrastructure fund is a special fund [~~account~~] in the state  
11 treasury [~~general revenue fund~~] to be administered by the board  
12 under this subchapter and rules adopted by the board under this  
13 subchapter. Money in the fund may be used to pay for the  
14 implementation of water projects recommended through the state and  
15 regional water planning processes under Sections 16.051 and 16.053.

16 (b) The fund consists of:

- 17 (1) appropriations from the legislature;
- 18 (2) any other fees or sources of revenue that the  
19 legislature may dedicate for deposit to the fund;
- 20 (3) repayments of loans made from the fund;
- 21 (4) interest earned on money credited to the fund;
- 22 (5) depository interest allocable to the fund [~~in the~~  
23 ~~general revenue fund~~];
- 24 (6) money from gifts, grants, or donations to the

1 fund;

2 (7) money from revenue bonds or other sources  
3 designated by the board; and

4 (8) proceeds from the sale of political subdivision  
5 bonds or obligations held in the fund and not otherwise pledged to  
6 the discharge, repayment, or redemption of revenue bonds or other  
7 bonds, the proceeds of which were placed in the fund.

8 SECTION 2. Subsection (e), Section 15.903, Water Code, as  
9 added by Chapter 1234, Acts of the 77th Legislature, Regular  
10 Session, 2001, is amended to read as follows:

11 (e) A loan provided under this subchapter may not exceed a  
12 [~~\$250,000 for each project, and the~~] term of [~~a loan may not exceed~~]  
13 20 years.

14 SECTION 3. Section 15.951, Water Code, as added by Chapter  
15 966, Acts of the 77th Legislature, Regular Session, 2001, is  
16 amended to read as follows:

17 Sec. 15.951. PURPOSE. The legislature finds that the rural  
18 areas of the state, characterized by small populations extended  
19 over disproportionately large service areas, require a means of  
20 financing water and water quality enhancement projects in addition  
21 to those established by other provisions of this chapter.

22 SECTION 4. Section 15.953, Water Code, as added by Chapter  
23 966, Acts of the 77th Legislature, Regular Session, 2001, is  
24 amended to read as follows:

25 Sec. 15.953. FUND. The rural water assistance fund is a  
26 special fund [~~account~~] in the state treasury [~~general revenue~~  
27 ~~fund~~]. The fund consists of:

- 1 (1) money directly appropriated to the board;
- 2 (2) repayment of principal and interest from loans  
3 made from the fund not otherwise needed as a source of revenue  
4 pursuant to Section 17.9615(b);
- 5 (3) money transferred by the board from any sources  
6 available; and
- 7 (4) interest earned on the investment of money in the  
8 fund and depository interest allocable to the fund [~~in the general~~  
9 ~~revenue fund~~].

10 SECTION 5. Subsections (a) and (b), Section 15.954, Water  
11 Code, as added by Chapter 966, Acts of the 77th Legislature, Regular  
12 Session, 2001, are amended to read as follows:

13 (a) The fund may be used to provide low-interest loans to  
14 rural political subdivisions for water or water-related projects  
15 and for water quality enhancement projects, including the purchase  
16 of well fields, the purchase or lease of rights to produce  
17 groundwater, onsite or wetland wastewater treatment facilities,  
18 and interim financing of construction projects.

19 (b) The fund may be used to enable a rural political  
20 subdivision to obtain water or wastewater service supplied by  
21 larger political subdivisions or to finance the consolidation or  
22 regionalizing of neighboring political subdivisions, or both.

23 SECTION 6. Subsections (a) and (b), Section 15.952, Water  
24 Code, as added by Chapter 1234, Acts of the 77th Legislature,  
25 Regular Session, 2001, are amended to read as follows:

26 (a) The colonia self-help account is an account in the water  
27 assistance fund [~~general revenue fund~~] that may be used by the board

1 ~~[appropriated]~~ only for the purposes of this subchapter.

2 (b) The account consists of:

3 (1) money transferred by the legislature directly to  
4 the account;

5 (2) money transferred at the board's discretion from  
6 the fund; and

7 (3) gifts, grants, or donations to the account~~;~~ ~~and~~

8 ~~[(4) interest earned on money credited to the~~  
9 ~~account].~~

10 SECTION 7. This Act takes effect immediately if it receives  
11 a vote of two-thirds of all the members elected to each house, as  
12 provided by Section 39, Article III, Texas Constitution. If this  
13 Act does not receive the vote necessary for immediate effect, this  
14 Act takes effect September 1, 2003.