

BILL ANALYSIS

S.J.R. 3
By: Armbrister
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

S.J.R. 3 requires the submission to the voters of a proposed constitutional amendment to provide the Texas Water Development Board with \$2 billion in additional general obligation bonding authority. S.J.R. 3 also sets forth the required language for the ballot, which shall be printed to permit voting for or against the proposition.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Article III, Texas Constitution, by adding Section 49-d-10, as follows:

Sec. 49-d-10. (a) Authorizes the Texas Water Development Board (board) to issue additional general obligation bonds, at its determination, for one or more accounts of the Texas Water Development Fund II (fund), in an amount not to exceed \$2 billion. Requires, of the additional general obligation bonds authorized to be issued, \$500 million of those bonds to be used to provide for subsidized loans and grants for wholesale and retail water and wastewater facilities to economically distressed areas of the state, as defined by law, to be provided on such terms as may be determined by the board, and to be deposited to the credit of the account established in the fund under Section 49-d-8 of this article for the purpose of administering proceedings related to the purposes described by Section 49-d-7(b) of this article.

(b) Provides that Section 49-d-8 of this article applies to the bonds authorized by this section. Provides that the limitation in Section 49-d-8 of this article that the board is prohibited from issuing bonds in excess of the aggregate principal amount of previously authorized bonds does not apply to the bonds authorized by and issued under this section.

(c) Provides that a limitation on the percentage of state participation in any single project imposed by this article does not apply to a project funded with the proceeds of bonds issued under the authority of this section.

SECTION 2. Requires the proposed constitutional amendment to be submitted to the voters at an election to be held November 8, 2005. Requires the ballot to be printed to permit voting for or against the proposition and sets forth appropriate language.

FOR ELECTION

This proposed constitutional amendment shall be submitted to the voters at an election to be held November 8, 2005. If the voters approve the amendment, Senate Joint Resolution 3 takes effect November 8, 2005.