By: Hope H.B. No. 1657

Substitute the following for H.B. No. 1657:

By: Geren C.S.H.B. No. 1657

A BILL TO BE ENTITLED

AN ACT

relating to the administration by the Texas Water Development Board of certain water-related programs financed by federal funds.

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

SECTION 1. Section 16.093, Water Code, is amended to read as follows:

Sec. 16.093. PARTICIPATION IN FEDERAL PROGRAMS [~~GRANTS FOR THE CONSTRUCTION OF TREATMENT WORKS; PROCESSING FEES~~]. (a) The board may execute agreements with the United States Environmental Protection Agency or its successor agency and any other federal agency that administers programs providing federal grants, loans, or other assistance to local or state governments or other persons for water supply projects, treatment works, or structural or nonstructural flood control measures, as those terms are defined by Section 17.001 [~~the construction of treatment works, as defined in Section 17.272 of this code~~]. The board may exercise all duties and responsibilities required for the administration by the board of a [~~the~~] federal [~~construction grant~~] program described by this subsection.

(b) The executive administrator, with the approval of the board, may execute agreements with the United States Environmental Protection Agency or its successor agency and any other federal agency for activities described by Subsection (a) [~~Each applicant for a federal construction grant, under a grant program~~

~~administered by the board, shall pay to the board a reasonable grant processing fee as prescribed by the board. The grant processing fee charged by the board shall be cost-eligible under the grant program and shall not exceed one-half of one percent of the total eligible project cost, including the planning, design, and construction phases, for any one project. The board shall promulgate regulations establishing schedules for timely payment of grant processing fees. For grants awarded in steps under a federal program, the time schedule for payment of grant processing fees shall provide for payment reasonably apportioned among each step grant awarded. The grant processing fee for each step grant or for any other grant not awarded in steps shall be due and payable immediately following the award of such grant. No grant processing fee shall be levied for any grant awarded prior to the effective date of this Act; but the grant processing fee established in this Subsection (b) shall be levied on grants awarded on or after the effective date of this Act where the board has processed the grant pursuant to an agreement with the United States Environmental Protection Agency, or its successor agency, or any other federal agency that administers programs providing federal grants to local governments for the construction of treatment works~~].

(c) The board may accept and use federal funds for the purposes provided by Subsection (a) [~~All grant processing fees collected by the board shall be deposited in a special fund of the state treasury for use by the board in processing and administering the grant programs, and shall not be deposited in the general revenue fund of the state~~].

SECTION 2. This Act does not affect the power of any state agency other than the Texas Water Development Board to obtain and use federal funds.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2005.