

BILL ANALYSIS

S.B. 2284
By: Lucio
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Economically Distressed Areas Program (EDAP) provides grants and loans to economically distressed areas for water-related and wastewater-related infrastructure. Section 17.933(c), Water Code, currently prohibits the Texas Water Development Board from providing more than 90 percent of the constitutional bonding authority for the EDAP in the form of grants.

S.B. 2284 amends current law relating to the issuance of grants by the Texas Water Development Board for water and wastewater system improvements in economically distressed areas.

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 Sections 17.933(b) and (c), Water Code, as follows:

(b) Prohibits the Texas Water Development Board (TWDB), in providing financial assistance to an applicant under this subchapter, from providing to the applicant financial assistance in the form of a grant, rather than financial assistance for which repayment is not required, in an amount that exceeds 50 percent of the total cost of a proposed project, rather than in an amount that exceeds 50 percent of the amount of the financial assistance plus interest on any amount that must be repaid, unless the Texas Department of State Health Services issues a determination, rather than a finding, that a nuisance dangerous to the public health and safety exists resulting from water supply and sanitation problems in the area to be served by the proposed project. Makes conforming changes.

(c) Authorizes TWDB, in providing financial assistance under this subchapter, to combine a grant made under this subchapter with a loan from any other source, including another program administered by TWDB. Deletes existing text that prohibits the total amount of financial assistance provided by TWDB to political subdivisions under this subchapter from state-issued bonds for which repayment is not required from exceeding a certain amount.

SECTION 2. Provides the effective date of this Act.

EFFECTIVE DATE

This Act takes effect September 1, 2009.