

By: Lucio

S.B. No. 2284

A BILL TO BE ENTITLED

AN ACT

relating to the issuance of grants by the Texas Water Development Board for water and wastewater system improvements in economically distressed areas.

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

SECTION 1. Sections 17.933(b) and (c), Water Code, are amended to read as follows:

(b) In providing financial assistance to an applicant under this subchapter, the board may not provide to the applicant financial assistance in the form of a grant ~~[for which repayment is not required]~~ in an amount that exceeds 50 percent of the total cost of a proposed project ~~[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 ~~[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. The board and the applicant shall provide to the Texas Department of State Health Services information necessary to make a determination, and the board and the Texas Department of State Health Services may enter into necessary memoranda of understanding to carry out this subsection.

(c) In providing financial assistance under this subchapter, the board may combine a grant made under this

1 subchapter with a loan from any other source, including another  
2 program administered by the board [~~The total amount of financial~~  
3 ~~assistance provided by the board to political subdivisions under~~  
4 ~~this subchapter from state-issued bonds for which repayment is not~~  
5 ~~required may not exceed at any time 90 percent of the total~~  
6 ~~principal amount of issued and unissued bonds authorized under~~  
7 ~~Article III of the Texas Constitution, for purposes of this~~  
8 ~~subchapter plus outstanding interest on those bonds]~~.

9       SECTION 2. This Act takes effect September 1, 2009.