

By: Lucio

S.B. No. 1690

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the consideration of and action on applications for  
3 financial assistance for water supply and sewer service projects in  
4 economically distressed areas.

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

6 SECTION 1. Section 17.927(d), Water Code, is amended to  
7 read as follows:

8 (d) Before considering an application, the board may  
9 require the applicant to:

10 (1) provide documentation to the executive  
11 administrator sufficient to allow review of the applicant's  
12 managerial, financial, and technical capabilities to plan, build,  
13 and operate the system for which assistance is being requested;

14 (2) provide a written determination by the commission  
15 on the applicant's managerial, financial, and technical  
16 capabilities to plan, build, and operate the system for which  
17 assistance is being requested;

18 (3) request that the comptroller perform a financial  
19 management review of the applicant and, if the review is performed,  
20 provide the board with the results of the review; or

21 (4) provide any other information required by the  
22 board or the executive administrator.

23 SECTION 2. Section 17.929(a), Water Code, is amended to  
24 read as follows:

1           (a) In passing on an application for financial assistance,  
2 the board shall consider:

3               (1) the need of the economically distressed area to be  
4 served by the water supply and sewer services in relation to the  
5 need of other political subdivisions requiring financial  
6 assistance under this subchapter and the relative costs and  
7 benefits of all applications;

8               (2) the availability to the area to be served by the  
9 project of revenue or financial assistance from alternative sources  
10 for the payment of the cost of the proposed project;

11              (3) the financing of the proposed water supply and  
12 sewer project including consideration of:

13                   (A) the budget and repayment schedule submitted  
14 under Section 17.927(b)(4);

15                   (B) other items included in the application  
16 relating to financing; and

17                   (C) other financial information and data  
18 available to the board;

19              (4) whether the county and other appropriate political  
20 subdivisions have adopted model rules pursuant to Section 16.343  
21 and the manner of enforcement of model rules; ~~and~~

22              (5) the feasibility of achieving cost savings by  
23 providing a regional facility for water supply or wastewater  
24 service and the feasibility of financing the facility by using  
25 funds from the economically distressed areas account or any other  
26 financial assistance; and

27              (6) the applicant's managerial, financial, and

1 technical capabilities to plan, build, and operate the proposed  
2 water supply and sewer project.

3 SECTION 3. Section 17.930(b), Water Code, is amended to  
4 read as follows:

5 (b) After making the considerations provided by Section  
6 17.929, the board by resolution shall:

7 (1) approve the plan and application as submitted;

8 (2) approve the plan and application subject to the  
9 requirements identified by the board or commission for the  
10 applicant to obtain the managerial, financial, and technical  
11 capabilities to plan, build, and operate the system and any other  
12 requirements, including training under Subchapter M, the board  
13 considers appropriate;

14 (3) deny the application and identify the requirements  
15 or remedial steps the applicant must complete before the applicant  
16 may be reconsidered for financial assistance;

17 (4) if the board finds that the applicant will be  
18 unable to obtain the managerial, financial, or technical  
19 capabilities to plan, build, and operate a system, deny the  
20 application and issue a determination that a service provider other  
21 than the applicant is necessary or appropriate to undertake the  
22 proposed project; or

23 (5) deny the application.

24 SECTION 4. The change in law made by this Act applies only  
25 to an application for financial assistance under Subchapter K,  
26 Chapter 17, Water Code, that is filed with the Texas Water  
27 Development Board on or after the effective date of this Act. An

1 application for financial assistance under that subchapter that is  
2 filed with the board before the effective date of this Act is  
3 subject to the law in effect on the date the application is filed,  
4 and that law is continued in effect for that purpose.

5 SECTION 5. This Act takes effect September 1, 2011.