

By: Williams
(Pitts, Ritter)

S.J.R. No. 1

Substitute the following for S.J.R. No. 1:

By: Pitts

C.S.S.J.R. No. 1

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for the creation of
2 the State Water Implementation Fund for Texas and the State Water
3 Implementation Revenue Fund for Texas to assist in the financing of
4 priority projects in the state water plan.

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

6 SECTION 1. Article III, Texas Constitution, is amended by
7 adding Sections 49-d-12 and 49-d-13 to read as follows:

8 Sec. 49-d-12. (a) The State Water Implementation Fund for
9 Texas is created as a special fund in the state treasury outside the
10 general revenue fund. Money in the State Water Implementation Fund
11 for Texas shall be administered, without further appropriation, by
12 the Texas Water Development Board or that board's successor in
13 function and shall be used for the purpose of implementing the state
14 water plan that is adopted as required by general law by the Texas
15 Water Development Board or that board's successor in function.
16 Separate accounts may be established in the State Water
17 Implementation Fund for Texas as necessary to administer the fund
18 or authorized projects.

19 (b) The legislature by general law may authorize the Texas
20 Water Development Board or that board's successor in function to
21 enter into bond enhancement agreements to provide additional
22 security for general obligation bonds or revenue bonds of the Texas
23 Water Development Board or that board's successor in function, the
24 proceeds of which are used to finance state water plan projects.

1 Bond enhancement agreements must be payable solely from the State
2 Water Implementation Fund for Texas; provided, however, the bond
3 enhancement agreements may not exceed an amount that can be fully
4 supported by the State Water Implementation Fund for Texas. Any
5 amount paid under a bond enhancement agreement may be repaid as
6 provided by general law; provided, however, any repayment may not
7 cause general obligation bonds that are issued under Sections
8 49-d-9 and 49-d-11 of this article and that are payable from the
9 fund or account receiving the bond enhancement payment to be no
10 longer self-supporting for purposes of Section 49-j(b) of this
11 article. Payments under a bond enhancement agreement entered into
12 pursuant to this section may not be a constitutional state debt
13 payable from general revenues of the state.

14 (c) The legislature by general law may authorize the Texas
15 Water Development Board or that board's successor in function to
16 use the State Water Implementation Fund for Texas to finance,
17 including by direct loan, water projects included in the state
18 water plan.

19 (d) The Texas Water Development Board or that board's
20 successor in function shall provide written notice to the
21 Legislative Budget Board or that board's successor in function
22 before each bond enhancement agreement or loan agreement entered
23 into pursuant to this section has been executed by the Texas Water
24 Development Board or that board's successor in function and shall
25 provide a copy of the proposed agreement to the Legislative Budget
26 Board or that board's successor in function for approval. The
27 proposed agreement shall be considered to be approved unless the

1 Legislative Budget Board or that board's successor in function
2 issues a written disapproval not later than the 21st day after the
3 date on which the staff of that board receives the submission.

4 (e) The State Water Implementation Fund for Texas consists
5 of:

6 (1) money transferred or deposited to the credit of
7 the fund, including money from any source transferred or deposited
8 to the credit of the fund at the discretion of the Texas Water
9 Development Board or that board's successor in function as
10 authorized by law;

11 (2) the proceeds of any fee or tax imposed by this
12 state that by statute is dedicated for deposit to the credit of the
13 fund;

14 (3) any other revenue that the legislature by statute
15 dedicates for deposit to the credit of the fund;

16 (4) investment earnings and interest earned on amounts
17 credited to the fund; and

18 (5) money transferred to the fund under a bond
19 enhancement agreement from another fund or account to which money
20 from the fund was transferred under a bond enhancement agreement,
21 as authorized by general law.

22 (f) The legislature by general law shall provide for the
23 manner in which the assets of the State Water Implementation Fund
24 for Texas may be used, subject to the limitations provided by this
25 section. The legislature by general law may provide for costs of
26 investment of the State Water Implementation Fund for Texas to be
27 paid from that fund.

1 (g) As provided by general law, each fiscal year the Texas
2 Water Development Board or that board's successor in function shall
3 set aside from amounts on deposit in the State Water Implementation
4 Fund for Texas an amount that is sufficient to make payments under
5 bond enhancement agreements that become due during that fiscal
6 year.

7 (h) Any dedication or appropriation of amounts on deposit in
8 the State Water Implementation Fund for Texas may not be modified so
9 as to impair any outstanding obligation under a bond enhancement
10 agreement secured by a pledge of those amounts unless provisions
11 have been made for a full discharge of the bond enhancement
12 agreement.

13 (i) Money in the State Water Implementation Fund for Texas
14 is dedicated by this constitution for purposes of Section 22,
15 Article VIII, of this constitution and an appropriation from the
16 economic stabilization fund to the credit of the State Water
17 Implementation Fund for Texas is an appropriation of state tax
18 revenues dedicated by this constitution for the purposes of Section
19 22, Article VIII, of this constitution.

20 Sec. 49-d-13. (a) The State Water Implementation Revenue
21 Fund for Texas is created as a special fund in the state treasury
22 outside the general revenue fund. Money in the State Water
23 Implementation Revenue Fund shall be administered, without further
24 appropriation, by the Texas Water Development Board or that board's
25 successor in function and shall be used for the purpose of
26 implementing the state water plan that is adopted as required by
27 general law by the Texas Water Development Board or that board's

1 successor in function. Separate accounts may be established in the
2 State Water Implementation Revenue Fund for Texas as necessary to
3 administer the fund or authorized projects.

4 (b) The legislature by general law may authorize the Texas
5 Water Development Board or that board's successor in function to
6 issue bonds and enter into related credit agreements that are
7 payable from all revenues available to the State Water
8 Implementation Revenue Fund for Texas.

9 (c) The Texas Water Development Board or that board's
10 successor in function shall provide written notice to the
11 Legislative Budget Board or that board's successor in function
12 before issuing a bond pursuant to this section or entering into a
13 related credit agreement that is payable from revenue deposited to
14 the credit of the State Water Implementation Revenue Fund for Texas
15 and shall provide a copy of the proposed bond or agreement to the
16 Legislative Budget Board or that board's successor in function for
17 approval. The proposed bond or agreement shall be considered to be
18 approved unless the Legislative Budget Board or that board's
19 successor in function issues a written disapproval not later than
20 the 21st day after the date on which the staff of that board
21 receives the submission.

22 (d) The State Water Implementation Revenue Fund for Texas
23 consists of:

24 (1) money transferred or deposited to the credit of
25 the fund by law, including money from any source transferred or
26 deposited to the credit of the fund at the discretion of the Texas
27 Water Development Board or that board's successor in function as

1 authorized by law;

2 (2) the proceeds of any fee or tax imposed by this
3 state that by statute is dedicated for deposit to the credit of the
4 fund;

5 (3) any other revenue that the legislature by statute
6 dedicates for deposit to the credit of the fund;

7 (4) investment earnings and interest earned on amounts
8 credited to the fund;

9 (5) the proceeds from the sale of bonds, including
10 revenue bonds issued by the board under this subchapter, that are
11 designated by the Texas Water Development Board or that board's
12 successor in function for the purpose of providing money for the
13 fund; and

14 (6) money disbursed to the fund from the State Water
15 Implementation Fund for Texas as authorized by general law.

16 (e) The legislature by general law shall provide for the
17 manner in which the assets of the State Water Implementation
18 Revenue Fund for Texas may be used, subject to the limitations
19 provided by this section. The legislature by general law may
20 provide for costs of investment of the State Water Implementation
21 Revenue Fund for Texas to be paid from that fund.

22 (f) In each fiscal year in which amounts become due under
23 the bonds or agreements authorized by this section, the Texas Water
24 Development Board or that board's successor in function shall
25 transfer from revenue deposited to the credit of the State Water
26 Implementation Revenue Fund for Texas in that fiscal year an amount
27 that is sufficient to pay:

1 (1) the principal of and interest on the bonds that
2 mature or become due during the fiscal year; and

3 (2) any cost related to the bonds, including payments
4 under related credit agreements that become due during that fiscal
5 year.

6 (g) Any obligations authorized by general law to be issued
7 by the Texas Water Development Board or that board's successor in
8 function pursuant to this section shall be special obligations
9 payable solely from amounts in the State Water Implementation
10 Revenue Fund for Texas. Obligations issued by the Texas Water
11 Development Board or that board's successor in function pursuant to
12 this section may not be a constitutional state debt payable from the
13 general revenue of the state.

14 (h) Any dedication or appropriation of revenue to the credit
15 of the State Water Implementation Revenue Fund for Texas may not be
16 modified so as to impair any outstanding bonds secured by a pledge
17 of that revenue unless provisions have been made for a full
18 discharge of those bonds.

19 (i) Money in the State Water Implementation Revenue Fund for
20 Texas is dedicated by this constitution for purposes of Section 22,
21 Article VIII, of this constitution.

22 SECTION 2. This proposed constitutional amendment shall be
23 submitted to the voters at an election to be held November 5, 2013.
24 The ballot shall be printed to permit voting for or against the
25 proposition: "The constitutional amendment providing for the
26 creation of the State Water Implementation Fund for Texas and the
27 State Water Implementation Revenue Fund for Texas to assist in the

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1 financing of priority projects in the state water plan to ensure the
2 availability of adequate water resources."