By: Lozano

H.B. No. 1158

A BILL TO BE ENTITLED 1 AN ACT 2 relating to the use of money received by a nonprofit organization to 3 implement a supplemental environmental project. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Section 7.067, Water Code, is 5 amended by amending Subsection (c) and adding Subsection (d) to read as 6 7 follows: (c) The commission may allow a local government [or an 8 9 organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described 10 11 by Section 501(c)(3) of that code,] that receives money from a 12 respondent to implement a supplemental environmental project under this section to use a portion of the money, not to exceed 10 percent 13 14 of the direct cost of the project, for administrative costs, including overhead costs, personnel salary and fringe benefits, and 15 travel and per diem expenses, associated with implementing the 16 project. Money used for administrative costs under this subsection 17 must be used in accordance with Chapter 783, Government Code. 18 (d) The commission shall allow an organization exempt from 19 federal income taxation under Section 501(a), Internal Revenue Code 20 21 of 1986, as an organization described by Section 501(c)(3) of that code, that receives money from a respondent to implement a 22 23 supplemental environmental project under this section to retain an

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amount equal to 10 percent of the direct cost of the project for

H.B. No. 1158

1 <u>administrative costs</u>, including overhead costs, personnel salary
2 <u>and fringe benefits</u>, and travel and per diem expenses, associated
3 with implementing the project.

4 SECTION 2. Section 7.067(d), Water Code, as added by this 5 Act, applies to money received to implement a supplemental 6 environmental project under Section 7.067, Water Code, regardless 7 of whether the money was received on, before, or after the effective 8 date of this Act.

9 SECTION 3. This Act takes effect immediately if it receives 10 a vote of two-thirds of all the members elected to each house, as 11 provided by Section 39, Article III, Texas Constitution. If this 12 Act does not receive the vote necessary for immediate effect, this 13 Act takes effect September 1, 2015.