

BILL ANALYSIS

Senate Research Center
86R4895 JXC-F

S.B. 942
By: Johnson; Perry
Water & Rural Affairs
3/15/2019
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As proposed, S.B. 942 amends current law relating to the use of money in the state water pollution control revolving fund.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 15.601(a), Water Code, as follows:

(a) Requires the state water pollution control revolving fund (fund) to be used to provide financial assistance in accordance with the capitalization grant program established under the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.) and Section 15.603 (Creation and Administration of Program) of this code, rather than used to provide financial assistance to political subdivisions for construction of treatment works and to persons for nonpoint source pollution control and abatement projects under Section 15.603(h) (relating to authorizing the Texas Water Development Board (TWDB) to establish a separate account in the revolving fund to be used solely for providing financial assistance to persons for nonpoint source pollution control and abatement projects), in accordance with the capitalization grant program established under the Federal Water Pollution Control Act (federal act) (33 U.S.C. 1251 et seq.).

SECTION 2. Amends Section 15.603(a), Water Code, as follows:

(a) Provides that the revolving fund is held separately from other funds by TWDB outside the Texas State Treasury to provide financial assistance to persons for projects eligible for assistance under the federal act, including projects eligible under Section 603(c) of the federal act (33 U.S.C. Section 1383(c)), and to provide linked deposits to eligible financial institutions for loans to persons for nonpoint source pollution control projects, rather than provide financial assistance to political subdivisions for construction of treatment works and to persons for estuary management projects and for nonpoint source pollution control and abatement projects under Subsection (h).

SECTION 3. Amends Section 15.604(a), Water Code, as follows:

(a) Authorizes TWDB to use the fund for financial assistance only as provided by the federal act:

(1) to make loans, on the conditions that:

(A) the loan is made at or below market interest rates, including an interest-free loan, rather than those loans are made at or below market interest rates, including interest-free loans, at terms not to exceed 20 years;

(B) principal and interest payments will begin not later than one year after completion of the project to be financed and the loan will be fully amortized not later than the expiration date of the term of the loan, rather than not later than one year after completion of any treatment works and all loans will be fully amortized not later than 20 years after completion of the treatment works;

(C) and (D) makes conforming changes to these paragraphs;

(2)–(6) makes no changes to these subdivisions;

(7) makes a nonsubstantive change to this subdivision; and

(8) deletes existing text authorizing TWDB to use the fund for financial assistance to provide financial assistance to persons for a nonpoint source pollution control project under Section 319 of the federal act or for an estuary management project under Section 320 of the federal act, creates this subdivision from existing Subdivision (9), and makes a nonsubstantive change.

(9) Deletes this subdivision designation.

(10) Deletes this subdivision and existing text authorizing TWDB to use the fund for financial assistance to provide linked deposits to eligible lending institutions for loans to persons for nonpoint source pollution control projects.

SECTION 4. Amends Section 17.0821(c), Water Code, as follows:

(c) Requires TWDB to use the fund in accordance with Section 15.604(a)(4) (relating to authorizing TWDB to use the fund for financial assistance as a source of revenue or security for the payment of principal and interest on bonds issued by the state if the proceeds of the sale of those bonds will be deposited in the fund) of this code, rather than Section 15.604(4) of this code, and Section 603(d)(4) of the federal act, as a source of revenue to be deposited in accordance with this chapter (Public Funding) for the payment of principal and interest on water quality enhancement bonds issued by the state, the proceeds of which are deposited into the fund.

SECTION 5. Repealer: Section 15.603(i) (relating to providing that the fund is held by TWDB for certain purposes, including to provide linked deposits to eligible financial institutions for loans to persons for nonpoint source pollution control projects), Water Code.

SECTION 6. Effective date: September 1, 2019.