A JOINT RESOLUTION

proposing a constitutional amendment creating the State Utilities Reliability Fund and the State Utilities Reliability Revenue Fund to provide financial support for projects that enhance the reliability and resiliency of water, electric, and natural gas utilities, broadband providers, and power generation resources in this state.

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

SECTION 1. Article III, Texas Constitution, is amended by adding Sections 49-d-15 and 49-d-16 to read as follows:

Sec. 49-d-15. (a) The State Utilities Reliability Fund is created as a special fund in the state treasury outside the general revenue fund. Money in the State Utilities Reliability Fund shall be administered, without further appropriation, by the Texas Water Development Board or that board's successor in function. In accordance with general law, the State Utilities Reliability Fund may be used only to support projects to enhance the reliability and resiliency of water, electric, and natural gas utilities, broadband providers, and power generation companies in this state, including projects to weatherize facilities and reduce demand. Separate accounts may be established in the State Utilities Reliability Fund as necessary or convenient to administer the fund or the supported projects. The financial assistance authorized by this section may be provided directly to private entities or to utilities owned by public or private entities as provided by general law.
(b) The legislature by general law may authorize the Texas Water Development Board or that board's successor in function to use the State Utilities Reliability Fund to provide financial assistance, including by direct loan or grant, for projects that enhance the reliability of water, electric, and natural gas utilities, broadband service providers, and power generation companies in this state, including utilities owned by public or private entities, and projects that reduce demand.

(c) In accordance with general law, the Texas Water Development Board or that board's successor in function may, at that entity's discretion, transfer money from the State Utilities Reliability Fund to other programs and funds of the board or that board's successor in function, including the State Utilities Reliability Revenue Fund.

(d) The State Utilities Reliability Fund consists of:

(1) money appropriated to the fund;

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

(3) revenue from any source, including the proceeds of any fee or tax imposed by this state, that the legislature by statute dedicates for deposit to the credit of the fund;

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

(5) money transferred to the fund from another fund or...
account to which money from the fund was transferred, as authorized
by general law.

(e) The legislature by general law shall provide for the
manner in which the assets of the State Utilities Reliability Fund
may be used, subject to the limitations provided by this section.
The legislature by general law may provide for costs of investment
and administration of the State Utilities Reliability Fund to be
paid from that fund.

(f) For the purposes of Section 22, Article VIII, of this
constitution, an appropriation of money from the economic
stabilization fund for the purpose of depositing that money to the
credit of the State Utilities Reliability Fund is considered to be
an appropriation of state tax revenues dedicated by this
constitution.

(g) This section is intended to establish a basic framework
of the State Utilities Reliability Fund, and the legislature by
general law may provide for the implementation and effectuate the
design and objects of this section and may delegate duties,
responsibilities, functions, and authority to the Texas Water
Development Board or that board's successor in function for those
purposes.

Sec. 49-d-16. (a) The State Utilities Reliability Revenue
Fund is created as a special fund in the state treasury outside the
general revenue fund. Money in the State Utilities Reliability
Revenue Fund shall be administered, without further appropriation,
by the Texas Water Development Board or that board's successor in
function. In accordance with general law, the State Utilities
Reliability Revenue Fund may be used only for the purpose of providing financing for projects that enhance the reliability and resiliency of water, electric, and natural gas utilities, broadband providers, and power generation companies in this state, including by supporting projects to weatherize facilities and reduce demand in accordance with general law and requirements adopted by the Texas Water Development Board or that board's successor in function. Separate accounts may be established in the State Utilities Reliability Revenue Fund as necessary to administer the fund or authorized projects. The financial assistance authorized by this section may be provided directly to private entities or utilities owned by public or private entities as provided by general law.

(b) The legislature by general law may authorize the Texas Water Development Board or that board's successor in function to issue bonds, make loans or grants, and enter into related credit agreements that are payable from revenues available to the State Utilities Reliability Revenue Fund.

(c) In accordance with general law, the Texas Water Development Board or that board's successor in function may, at that entity's discretion, transfer money from the State Utilities Reliability Revenue Fund to the State Utilities Reliability Fund.

(d) The State Utilities Reliability Revenue Fund consists of:

(1) money appropriated to the fund;
(2) money transferred or deposited to the credit of the fund by general law, including money from the State Utilities
Reliability Fund or any other source transferred or deposited to
the credit of the fund at the discretion of the Texas Water
Development Board or that board's successor in function as
authorized by general law;

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

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

(5) investment earnings and interest earned on amounts
credited to the fund;

(6) the proceeds from the sale of revenue bonds issued
under this section by the Texas Water Development Board or that
board's successor in function for the purpose of providing money
for the fund;

(7) repayments of loans made from the fund; and

(8) money disbursed to the fund from the State
Utilities Reliability Fund as authorized by general law.

(e) The legislature by general law shall provide for the
manner in which the assets of the State Utilities Reliability
Revenue Fund may be used, subject to the limitations provided by
this section. The legislature by general law may provide for costs
of investment of the State Utilities Reliability Revenue Fund to be
paid from that fund.

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

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

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

(g) Any obligations authorized by general law to be issued by the Texas Water Development Board or that board's successor in function pursuant to this section shall be special obligations payable solely from amounts in the State Utilities Reliability Revenue Fund. Obligations issued by the Texas Water Development Board or that board's successor in function pursuant to this section may not be a constitutional state debt payable from the general revenue of the state.

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

(i) Money in the State Utilities Reliability Revenue Fund is dedicated by this constitution for purposes of Section 22, Article VIII, of this constitution.

(j) This section is intended to establish a basic framework of the State Utilities Reliability Revenue Fund, and the legislature shall have the power to implement and effectuate the
design and objects of this section, including the power to delegate
such duties, responsibilities, functions, and authority to the
Texas Water Development Board or that board's successor in
function.

SECTION 2. This proposed constitutional amendment shall be
submitted to the voters at an election to be held November 2, 2021.
The ballot shall be printed to permit voting for or against the
proposition: "The constitutional amendment creating the State
Utilities Reliability Fund and the State Utilities Reliability
Revenue Fund to provide financial support for projects that enhance
the reliability and resiliency of water, electric, and natural gas
utilities, broadband providers, and power generation companies in
this state."