

By: Huberty

H.J.R. No. 2

Substitute the following for H.J.R. No. 2:

By: Paddie

C.S.H.J.R. No. 2

A JOINT RESOLUTION

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

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

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

10 Sec. 49-d-15. (a) The State Utilities Reliability Fund is  
11 created as a special fund in the state treasury outside the general  
12 revenue fund. Money in the State Utilities Reliability Fund shall  
13 be administered, without further appropriation, by the Texas Water  
14 Development Board or that board's successor in function. In  
15 accordance with general law, the State Utilities Reliability Fund  
16 may be used only to support projects to enhance the reliability and  
17 resiliency of water, electric, and natural gas utilities, broadband  
18 providers, and power generation resources in this state, including  
19 projects to weatherize facilities. Separate accounts may be  
20 established in the State Utilities Reliability Fund as necessary or  
21 convenient to administer the fund or the supported projects. The  
22 financial assistance authorized by this section may be provided  
23 directly to private entities or to utilities owned by public or  
24 private entities as provided by general law.

1       (b) The legislature by general law may authorize the Texas  
2 Water Development Board or that board's successor in function to  
3 use the State Utilities Reliability Fund to finance, including by  
4 direct loan, projects that enhance the reliability of water,  
5 electric, and natural gas utilities, broadband service providers,  
6 and power generation resources in this state, including utilities  
7 owned by public or private entities.

8       (c) The Texas Water Development Board or that board's  
9 successor in function shall provide written notice to the  
10 Legislative Budget Board or that board's successor in function  
11 before the execution of each loan agreement entered into pursuant  
12 to this section by the Texas Water Development Board or that board's  
13 successor in function and shall provide a copy of the proposed  
14 agreement to the Legislative Budget Board or that board's successor  
15 in function for approval. The proposed agreement shall be  
16 considered to be approved unless the Legislative Budget Board or  
17 that board's successor in function issues a written disapproval  
18 not later than the 21st day after the date on which the staff of that  
19 board receives the submission.

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

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

27               (3) revenue from any source, including the proceeds of

1 any fee or tax imposed by this state, that the legislature by  
2 statute dedicates for deposit to the credit of the fund;

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

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

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

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

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

27 Sec. 49-d-16. (a) The State Utilities Reliability Revenue

1 Fund is created as a special fund in the state treasury outside the  
2 general revenue fund. Money in the State Utilities Reliability  
3 Revenue Fund shall be administered, without further appropriation,  
4 by the Texas Water Development Board or that board's successor in  
5 function. In accordance with general law, the State Utilities  
6 Reliability Revenue Fund may be used only for the purpose of  
7 providing financing for projects that enhance the reliability and  
8 resiliency of water, electric, and natural gas utilities, broadband  
9 providers, and power generation resources in this state, including  
10 by supporting projects to weatherize facilities in accordance with  
11 general law and requirements adopted by the Texas Water Development  
12 Board or that board's successor in function. Separate accounts may  
13 be established in the State Utilities Reliability Revenue Fund as  
14 necessary to administer the fund or authorized projects. The  
15 financial assistance authorized by this section may be provided  
16 directly to private entities or utilities owned by public or  
17 private entities as provided by general law.

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

23 (c) The Texas Water Development Board or that board's  
24 successor in function shall provide written notice to the  
25 Legislative Budget Board or that board's successor in function  
26 before issuing a bond pursuant to this section or entering into a  
27 related credit agreement that is payable from revenue deposited to

1 the credit of the State Utilities Reliability Revenue Fund and  
2 shall provide a copy of the proposed bond or agreement to the  
3 Legislative Budget Board or that board's successor in function for  
4 approval. The proposed bond or agreement shall be considered to be  
5 approved unless the Legislative Budget Board or that board's  
6 successor in function issues a written disapproval not later than  
7 the 21st day after the date on which the staff of that board  
8 receives the submission.

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

11 (1) money appropriated to the fund;

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

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

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

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

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

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

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

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

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

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

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

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

1 general revenue of the state.

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

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

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

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