

BILL ANALYSIS

Senate Research Center

S.J.R. 75
By: Perry
Water, Agriculture & Rural Affairs
6/9/2023
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Water infrastructure needs in Texas total in the billions in order to cover aging and failing pipes and build out new water supply. It is estimated that the state loses 136 billion of gallons of water a year to leaking water main pipes. Additionally, the state will be 7 million acre feet short of supply in the next 50 years.

S.J.R. 75 allows the Texas voters to decide if the state will create the Texas Water Fund to continue investment in water for years to come.

(Original Author's/Sponsor's Statement of Intent)

S.J.R. 75 proposes a constitutional amendment creating the Texas water fund to assist in financing water projects in this state.

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 Article III, Texas Constitution, by adding Section 49-d-16, as follows:

Sec. 49-d-16. (a) Provides that the Texas water fund (fund) is created as a special fund in the state treasury outside the general revenue fund. Provides that the fund is administered by the Texas Water Development Board (TWDB) or by TWDB's successor in function as provided by general law. Authorizes the legislature to appropriate money for the purpose of depositing the money to the fund to be available for transfer as provided by Subsection (b) of this section.

(b) Authorizes the administrator of the fund to use the fund only to transfer money to other funds or accounts administered by TWDB or TWDB's successor in function. Authorizes money transferred from the fund to a fund or account to be spent without further legislative appropriation in the manner provided by general law governing the use of money in the fund or account to which the money was transferred. Authorizes the administrator to restore to the fund money transferred from the fund and deposited to the credit of another fund or account. Provides that legislative appropriation is not required for the administrator to transfer money from or restore money to the fund, including the transfer of money from the fund to or the restoration of the money from:

- (1) the Water Assistance Fund No. 480;
- (2) the New Water Supply for Texas Fund;
- (3) the Rural Water Assistance Fund No. 301; or
- (4) the Statewide Water Public Awareness Account.

(c) Provides that the fund consists of:

(1) money transferred or deposited to the credit of the fund by general law, including money appropriated by the legislature directly to the fund and money from any source transferred or deposited to the credit of the fund authorized by general law;

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

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

(4) money from gifts, grants, or donations to the fund; and

(5) money returned from any authorized transfer.

(d) Requires the legislature by general law to provide for the manner in which money from the fund is authorized to be used, subject to the limitations provided by this section.

(e) Requires the administrator of the fund, of the amount of money initially appropriated to the fund, to allocate not less than 25 percent to be used only for transfer to the New Water Supply for Texas Fund.

(f) Requires that the expenses of managing the investments of the fund be paid from that fund.

(g) Provides that for purposes of Section 22 (Restriction on Rate of Growth of Appropriations), Article VIII (Taxation and Revenue), of this constitution:

(1) money in the fund is dedicated by this constitution; and

(2) an appropriation of state tax revenues for the purpose of depositing money to the credit of the fund is treated as if it were an appropriation of revenues dedicated by this constitution.

(h) Provides that any unexpended and unobligated balance remaining in the fund at the end of a state fiscal biennium is appropriated to the administrator of that fund for the following state fiscal biennium for the purposes authorized by this section.

SECTION 2. Requires that the proposed constitutional amendment be submitted to the voters at an election to be held November 7, 2023. Sets forth the required language of the ballot.