By: Schofield   H.B. No. 4659

A BILL TO BE ENTITLED

1   AN ACT

2   relating to a study of the financing of regional facilities that

3   convert groundwater to surface water.

4   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5   SECTION 1. DEFINITIONS. In this Act:

6   (1) "Board" means the Texas Water Development Board.

7   (2) "Facility" means a regional water facility that

8   converts groundwater to surface water.

9   SECTION 2. WORKING GROUP. (a) A working group composed of

10   representatives of the Texas Water Development Board and the Texas

11   Public Finance Authority is formed to study, review, and report to

12   the legislature on the methods used to finance or refinance

13   regional water facilities that convert groundwater to surface

14   water.

15   (b) The working group may include representatives of local

16   governments of Harris and Fort Bend Counties that have borrowed

17   money from the board for a facility.

18   (c) The chair of the board, or a designee of the chair of the

19   board, shall serve as the chair of the working group.

20   (d) The working group shall convene at the call of the

21   chair.

22   SECTION 3. STUDY. The working group shall study:

23   (1) the useful life of regional water facilities that

24   convert groundwater to surface water, including associated

1 improvements during a facility's useful life;

2 (2) the typical period of time necessary to pay the

3 costs associated with developing a financed facility;

4 (3) the economic effect on current water users paying

5 the cost of a facility that will provide service to future water

6 users;

7 (4) the financing terms of current and anticipated

8 facilities;

9 (5) the ability to distribute the costs associated

10 with the development of a facility to the users who benefit from the

11 facility, including:

12 (A) the fairness and equity benefits to water

13 users of extending the financing of a facility compared to the

14 potential increase in financing costs associated with an extension

15 of financing;

16 (B) the ability to use methods of financing or

17 refinancing to accomplish this distribution;

18 (C) policies and procedures of this state and the

19 board that may be used to accomplish this distribution;

20 (D) whether the board's financing terms and

21 conditions can be improved to better accomplish this distribution,

22 including whether the board may forgive a loan or a portion of a

23 loan to better accomplish this distribution;

24 (E) whether potential measures that could

25 accomplish this distribution are precluded by state law; and

26 (F) what changes to state law may be necessary to

27 accomplish this distribution;

1   (6) whether financial assistance administered by the
2 board may be used to refinance or restructure existing financing of
3 a facility; and

4   (7) whether a facility is eligible for grant funding.

5   SECTION 4. FINDINGS AND RECOMMENDATIONS. (a) The working
6 group shall recommend any changes and improvements relating to the
7 financing of regional facilities that convert groundwater to
8 surface water that may be implemented by this state, the board, or
9 another state agency without further legislative authorization.

10   (b) Not later than September 1, 2024, the working group
11 shall report the working group's findings and recommendations to
12 the lieutenant governor, the speaker of the house of
13 representatives, and the governor.

14   (c) A member of the house or the senate may request to be
15 kept informed of the working group's progress throughout the
16 duration of the study.

17   SECTION 5. EXPIRATION. This Act expires September 1, 2025.

18   SECTION 6. EFFECTIVE DATE. This Act takes effect
19 immediately if it receives a vote of two-thirds of all the members
20 elected to each house, as provided by Section 39, Article III, Texas
21 Constitution. If this Act does not receive the vote necessary for
22 immediate effect, this Act takes effect September 1, 2023.