

By: Schofield

H.B. No. 4659

Substitute the following for H.B. No. 4659:

By: King of Uvalde

C.S.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.