

By: Perry

S.B. No. 1627

A BILL TO BE ENTITLED

AN ACT

relating to the composition and use of money in the flood infrastructure fund.

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

SECTION 1. Section 15.534, Water Code, is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

(a) The board may use the infrastructure fund only:

(1) to make a loan to an eligible political subdivision at or below market interest rates for a flood project;

(2) to make a grant or loan at or below market interest rates to an eligible political subdivision for a flood project to serve a rural ~~[an]~~ area ~~[outside of a metropolitan statistical area]~~ in order to ensure that the flood project is implemented;

(3) to make a loan at or below market interest rates for planning and design costs, permitting costs, and other costs associated with state or federal regulatory activities with respect to a flood project;

(4) to make a grant to an eligible political subdivision to provide matching funds to enable the eligible political subdivision to participate in a federal program for a flood project;

(5) to make a grant to an eligible political subdivision for a flood project if the board determines that the

1 eligible political subdivision does not have the ability to repay a
2 loan;

3 (6) as a source of revenue or security for the payment
4 of principal and interest on bonds issued by the board if the
5 proceeds of the sale of the bonds will be deposited in the
6 infrastructure fund;

7 (7) to pay the necessary and reasonable expenses of
8 the board in administering the infrastructure fund; and

9 (8) to make transfers to the research and planning
10 fund created under Section 15.402 of this chapter.

11 (c) Except as provided by Subsections (a)(6)-(8), after the
12 adoption of the initial state flood plan, the board may use the
13 infrastructure fund to provide financing only for flood projects
14 included in the state flood plan.

15 (d) Money from the infrastructure fund may be awarded to
16 several eligible political subdivisions for a single flood project.

17 SECTION 2. Section 16.454(j), Water Code, is amended to
18 read as follows:

19 (j) This section expires September 1, 2031. The remaining
20 balance of the account on that date is transferred to the flood
21 infrastructure fund [~~plan implementation account~~].

22 SECTION 3. The following provisions of Chapter 947 (S.B.
23 7), Acts of the 86th Legislature, Regular Session, 2019, are
24 repealed:

25 (1) Section 2.03; and

26 (2) Section 3.06.

27 SECTION 4. This Act takes effect September 1, 2023.