

Amend SB 7 (house committee report) on third reading as follows:

(1) On page 3, line 14, strike "Subsection (e)" and substitute "Subsections (e) and (f)".

(2) On page 5, between lines 4 and 5, insert the following:

(f) In providing financial assistance from the fund for marine seawater desalination projects, the board shall prioritize projects that:

(1) will not divert water from or discharge treated marine seawater or waste resulting from the desalination of marine seawater into:

(A) a bay, estuary, or arm of the Gulf of Mexico;
or

(B) an area located less than three miles seaward of any point located on the coast of this state; or

(2) will divert water from and discharge treated marine seawater or waste resulting from the desalination of marine seawater into zones in the Gulf of Mexico that are appropriate for the discharge of waste resulting from the desalination of marine seawater identified by the study conducted under Section 18.005(g).

(3) Add the following appropriately numbered SECTION to ARTICLE 1 of the bill and renumber subsequent SECTIONS of the ARTICLE accordingly:

SECTION 1.____. Section 15.994, Water Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Subject to Subsection (a-1), the ~~[The]~~ fund may be used to provide low-interest loans to rural political subdivisions for:

(1) water or water-related projects and for water quality enhancement projects, including:

(A) the construction of infrastructure facilities for wholesale or retail water or sewer service;

(B) desalination projects;

(C) the purchase or lease of water well fields;

(D) property necessary for water well fields;

(E) the purchase or lease of rights to produce groundwater;

(F) onsite or wetland wastewater treatment facilities; and

(G) the interim financing of construction projects;

(2) water projects included in the state water plan or a regional water plan;

(3) development of groundwater sources and acquisition of water rights, including groundwater and surface water rights;

(4) the acquisition of retail public utilities as defined by Section 13.002;

(5) the acquisition of water supply or sewer service facilities or systems owned by municipalities or other political subdivisions;

(6) construction, acquisition, or improvement of water and wastewater projects to provide service to an economically distressed area;

(7) planning and design costs, permitting costs, and other costs associated with state or federal regulatory activities with respect to a project; and

(8) obtaining water or wastewater service supplied by other political subdivisions or financing the consolidation or regionalizing of neighboring political subdivisions, or both.

(a-1) In providing financial assistance under this section for marine seawater desalination projects, the board shall prioritize projects that:

(1) will not divert water from or discharge treated marine seawater or waste resulting from the desalination of marine seawater into:

(A) a bay, estuary, or arm of the Gulf of Mexico;
or

(B) an area located less than three miles seaward of any point located on the coast of this state; or

(2) will divert water from and discharge treated marine seawater or waste resulting from the desalination of marine seawater into zones in the Gulf of Mexico that are appropriate for the discharge of waste resulting from the desalination of marine

seawater identified by the study conducted under Section 18.005(g).