

By: Harris

H.B. No. 3316

A BILL TO BE ENTITLED

AN ACT

relating to the redesignation of the State Water Implementation Fund for Texas Advisory Committee as the Texas Water Fund Advisory Committee, the abolition of the Texas Infrastructure Resiliency Fund Advisory Committee, and the composition and functions of the Texas Water Fund Advisory Committee.

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

SECTION 1. Section 15.431(a)(1), Water Code, is amended to read as follows:

(1) "Advisory committee" means the ~~[State Water Implementation Fund for]~~ Texas Water Fund Advisory Committee.

SECTION 2. Section 15.438, Water Code, is transferred to Subchapter A, Chapter 15, Water Code, redesignated as Section 15.009, Water Code, and amended to read as follows:

Sec. 15.009 ~~[15.438]~~. TEXAS WATER FUND ADVISORY COMMITTEE. (a) The ~~[State Water Implementation Fund for]~~ Texas Water Fund Advisory Committee is composed of the following eight ~~[seven]~~ members:

(1) the comptroller, or a person designated by the comptroller;

(2) the chair of the committee of the senate having primary jurisdiction over water resources;

(3) the chair of the committee of the house of representatives having primary jurisdiction over water resources;

1 (4) two [~~three~~] members of the senate appointed by the
2 lieutenant governor, including at least one [+

3 [~~(A) a~~] member of the committee of the senate
4 having primary jurisdiction over matters relating to finance;

5 (5) two [~~and~~

6 [~~(B) the chair of the committee of the senate~~
7 ~~having primary jurisdiction over water resources; and~~

8 [~~(3) three~~] members of the house of representatives
9 appointed by the speaker of the house of representatives, including
10 at least one [+

11 [~~(A) a~~] member of the committee of the house of
12 representatives having primary jurisdiction over appropriations;
13 and

14 (6) the director of the Texas Division of Emergency
15 Management or the successor in function to that entity, or a person
16 designated by that person, who serves as a nonvoting member

17 [~~(B) the chair of the committee of the house of~~
18 ~~representatives having primary jurisdiction over water resources~~].

19 (b) The following persons shall serve as staff support for
20 the advisory committee:

21 (1) the deputy executive administrator of the board
22 who is responsible for water science and conservation or a person
23 who holds an equivalent position at the agency, or a person
24 designated by that person;

25 (2) the deputy executive administrator of the board
26 who is responsible for water resources planning and information or
27 a person who holds an equivalent position at the agency, or a person

1 designated by that person; and

2 (3) the chief financial officer of the board, or a
3 person who holds an equivalent position at the agency.

4 (c) A [~~An appointed~~] member of the advisory committee
5 designated under Subsection (a)(1) or (6) or appointed under
6 Subsection (a)(4) or (5) serves at the will of the person who
7 designated or appointed the member.

8 (d) The members of the advisory committee described by
9 Subsections (a)(2) and (3) serve as [~~lieutenant governor shall~~
10 ~~appoint a~~] co-presiding officers [~~officer~~] of the [~~advisory~~]
11 committee [~~from among the members appointed by the lieutenant~~
12 ~~governor, and the speaker of the house of representatives shall~~
13 ~~appoint a co-presiding officer of the committee from among the~~
14 ~~members appointed by the speaker~~].

15 (e) The advisory committee may hold public hearings, formal
16 meetings, or work sessions. Either co-presiding officer of the
17 advisory committee may call a public hearing, formal meeting, or
18 work session of the advisory committee at any time. The advisory
19 committee may not take formal action at a public hearing, formal
20 meeting, or work session unless a quorum of the committee is
21 present.

22 (f) Except as otherwise provided by this subsection, a
23 member of the advisory committee is not entitled to receive
24 compensation for service on the committee or reimbursement for
25 expenses incurred in the performance of official duties as a member
26 of the committee. Service on the advisory committee by a member of
27 the senate or house of representatives is considered legislative

1 service for which the member is entitled to reimbursement and other
2 benefits in the same manner and to the same extent as for other
3 legislative service.

4 (g) As needed, the ~~[The]~~ advisory committee shall submit
5 comments and recommendations to the board regarding the use of
6 money in:

7 (1) the state water implementation fund for Texas
8 established under Subchapter G ~~[fund]~~ for use by the board in
9 adopting rules under Section 15.439 and in adopting policies and
10 procedures under Section 15.441;

11 (2) the Texas water fund established under Subchapter
12 H-1 for use by the board in adopting rules under Section 15.507;

13 (3) the flood infrastructure fund established under
14 Subchapter I for use by the board in adopting rules under Section
15 15.537; and

16 (4) the Texas infrastructure resiliency fund
17 established under Section 16.452 for use by the board in adopting
18 rules under Section 16.460. ~~[The submission must include:~~

19 ~~[(1) comments and recommendations on rulemaking~~
20 ~~related to the prioritization of projects in regional water plans~~
21 ~~and the state water plan in accordance with Section 15.437;~~

22 ~~[(2) comments and recommendations on rulemaking~~
23 ~~related to establishing standards for determining whether projects~~
24 ~~meet the criteria provided by Section 15.434(b);~~

25 ~~[(3) an evaluation of the available programs for~~
26 ~~providing financing for projects included in the state water plan~~
27 ~~and guidelines for implementing those programs, including~~

1 ~~guidelines for providing financing for projects included in the~~
2 ~~state water plan that are authorized under Subchapter Q or R of this~~
3 ~~chapter, Subchapter E or F, Chapter 16, or Subchapter J, Chapter 17,~~

4 ~~[(4) an evaluation of the lending practices of the~~
5 ~~board and guidelines for lending standards,~~

6 ~~[(5) an evaluation of the use of funds by the board to~~
7 ~~provide support for financial assistance for water projects,~~
8 ~~including support for the purposes described by Section 15.435(c),~~

9 ~~[(6) an evaluation of whether premium financing~~
10 ~~programs should be established within the funds described by~~
11 ~~Section 15.435 to serve the purposes of this subchapter, especially~~
12 ~~in connection with projects described by Section 15.434(b),~~

13 ~~[(7) an evaluation of methods for encouraging~~
14 ~~participation in the procurement process by companies domiciled in~~
15 ~~this state or that employ a significant number of residents of this~~
16 ~~state, and~~

17 ~~[(8) an evaluation of the overall operation, function,~~
18 ~~and structure of the fund.]~~

19 (h) The advisory committee shall review the overall
20 operation, function, and structure of each fund listed in
21 Subsection (g) [the fund] at least semiannually ~~[and may provide~~
22 ~~comments and recommendations to the board on any matter].~~

23 (i) The advisory committee may:

24 (1) provide comments and recommendations to the board
25 on any matter;

26 (2) review the overall operation, function, and
27 structure of any fund established under this chapter or Chapter 16

1 that is not listed in Subsection (g); and

2 (3) adopt rules, procedures, and policies as needed to
3 administer this section and implement its responsibilities.

4 (j) Chapter 2110, Government Code, does not apply to the
5 size, composition, or duration of the advisory committee.

6 (k) The advisory committee is subject to Chapter 325,
7 Government Code (Texas Sunset Act). Unless continued in existence
8 as provided by that chapter, the advisory committee is abolished
9 and this section expires September 1, 2035.

10 (1) As needed, the ~~[The]~~ advisory committee shall make
11 recommendations to the board regarding information to be posted on
12 the board's Internet website relating to the funds listed in
13 Subsection (g) ~~[under Section 15.440(b)]~~.

14 (m) The advisory committee shall evaluate and may provide
15 comments or recommendations on the feasibility of the state owning,
16 constructing, and operating water supply projects, including
17 reservoirs and major water supply conveyance infrastructure,
18 through existing financial assistance programs under Subchapter E
19 of this chapter, Subchapter E or F, Chapter 16, or other mechanisms.

20 (n) The executive administrator shall provide an annual
21 report to the advisory committee on:

22 (1) the board's compliance with statewide annual goals
23 relating to historically underutilized businesses; and

24 (2) the participation level of historically
25 underutilized businesses in projects that receive funding related
26 to a bond enhancement agreement under Subchapter G ~~[this~~
27 ~~subchapter]~~.

1 (o) If the aggregate level of participation by historically
2 underutilized businesses in projects that receive funding related
3 to a bond enhancement agreement under Subchapter G [~~this~~
4 ~~subchapter~~] does not meet statewide annual goals adopted under
5 Chapter [2161](#), Government Code, the advisory committee shall make
6 recommendations to the board to improve the participation level.

7 SECTION 3. The following provisions of the Water Code are
8 repealed:

- 9 (1) Section [15.506](#);
- 10 (2) Section [15.540](#);
- 11 (3) Section [16.451\(1\)](#); and
- 12 (4) Section [16.456](#).

13 SECTION 4. This Act takes effect September 1, 2025.