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AGENDA ITEM REQUEST FORM

Hays County Commissioners Court

Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Discussion and possible action to adopt a resolution in support of legislation to finance critical water infrastructure projects.

ITEM TYPE

ACTION-MISCELLANEOUS

MEETING DATE

April 2, 2013

AMOUNT REQUIRED

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A

AUDITOR REVIEW: N/A

REQUESTED BY

Conley

SPONSOR

CONLEY

CO-SPONSOR

WHISENANT

SUMMARY

Please see the attached draft resolutions and bills of SB 4 and SB 22.

FILED:

04 02 13

HAYS COUNTY COMMISSIONERS' COURT
Resolution # 28914 VOL V PG 129

By: Fraser

S.B. No. 4

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the administration and functions of the Texas Water
3 Development Board.

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

5 ARTICLE 1. ADMINISTRATION OF THE TEXAS WATER DEVELOPMENT BOARD

6 SECTION 1.01. Section 6.052(a), Water Code, is amended to
7 read as follows:

8 (a) The board is composed of three ~~six~~ members who are
9 appointed by the governor with the advice and consent of the senate.

10 SECTION 1.02. Section 6.053, Water Code, is amended by
11 adding Subsection (d) to read as follows:

12 (d) A person is not eligible for appointment to the board if
13 the person served on the board on or before January 1, 2013.

14 SECTION 1.03. Section 6.054(c), Water Code, is amended to
15 read as follows:

16 (c) If the executive administrator or a member has knowledge
17 that a potential ground for removal exists, the executive
18 administrator shall notify the chairman of the board of the
19 potential ground. The chairman of the board shall then notify the
20 governor and the attorney general that a potential ground for
21 removal exists. If the potential ground for removal includes the
22 chairman of the board, the executive administrator or another
23 member of the board shall notify the member ~~[next highest ranking~~
24 ~~officer]~~ of the board with the most seniority, who shall then notify

1 the governor and the attorney general that a potential ground for
2 removal exists.

3 SECTION 1.04. Section 6.056, Water Code, is amended to read
4 as follows:

5 Sec. 6.056. TERMS OF OFFICE. (a) The members of the board
6 hold office for staggered terms of six years, with the term ~~[terms]~~
7 of one member ~~[two members]~~ expiring February 1 of each
8 odd-numbered year ~~[every two years]~~. Each member holds office
9 until a ~~[his]~~ successor is appointed and has qualified.

10 (b) A person appointed to the board may not serve for more
11 than two six-year terms.

12 SECTION 1.05. Section 6.059, Water Code, is amended to read
13 as follows:

14 Sec. 6.059. CHAIRMAN OF THE BOARD ~~[OFFICERS]~~. ~~[(a)]~~ The
15 governor shall designate one member as chairman of the board to
16 serve at the will of the governor.

17 ~~[(b) The members of the board shall elect a vice chairman~~
18 ~~every two years. The board shall fill a vacancy in the office of~~
19 ~~vice chairman for the remainder of the unexpired term.]~~

20 SECTION 1.06. Sections 6.060(a) and (b), Water Code, are
21 amended to read as follows:

22 (a) The board shall hold regular meetings and all hearings
23 at times specified by a board order and entered in its minutes ~~[meet~~
24 ~~at least once every other month on a day and at a place within the~~
25 ~~state selected by it, subject to recesses at the discretion of the~~
26 ~~board]~~. The ~~[chairman or two]~~ board ~~[members]~~ may hold special
27 meetings at the times and places in the state that the board decides

1 are appropriate for the performance of its duties. The chairman of
2 the board or the board member acting for the chairman shall give the
3 other members reasonable notice before holding a special meeting
4 [call a special meeting at any time by giving notice to the other
5 members].

6 (b) The chairman ~~[or in his absence the vice chairman]~~ shall
7 preside at all meetings of the board. The chairman may designate
8 another board member to act for the chairman in the chairman's
9 absence.

10 SECTION 1.07. Section 6.061, Water Code, is amended to read
11 as follows:

12 Sec. 6.061. FULL-TIME SERVICE. Each member of the board
13 shall serve on a full-time basis. [COMPENSATION, EXPENSES. A
14 member is entitled to receive an amount as provided by the General
15 Appropriations Act for each day he serves in the performance of his
16 duties, together with travel and other necessary expenses.]

17 SECTION 1.08. Section 6.103, Water Code, is amended to read
18 as follows:

19 Sec. 6.103. EXECUTIVE ADMINISTRATOR. The chairman of the
20 board shall appoint a person to be the executive administrator to
21 serve at the will of the board. A person is not eligible for
22 appointment as the executive administrator if the person served in
23 that capacity on January 1, 2013. The executive administrator
24 shall report to the chairman of the board.

25 SECTION 1.09. (a) Not later than September 1, 2013, the
26 governor shall appoint the initial members of the Texas Water
27 Development Board under Section 6.052, Water Code, as amended by

1 this Act. In appointing the initial members of the board, the
2 governor shall appoint one person to a term expiring February 1,
3 2015, one to a term expiring February 1, 2017, and one to a term
4 expiring February 1, 2019.

5 (b) The terms of the current members of the board expire
6 September 1, 2013.

7 SECTION 1.10. (a) Not later than October 1, 2013, the
8 chairman of the Texas Water Development Board shall appoint the
9 executive administrator of the board under Section 6.103, Water
10 Code, as amended by this Act.

11 (b) The person currently serving as the executive
12 administrator of the board ceases to serve in that capacity on the
13 date a new executive administrator is appointed under Subsection
14 (a) of this section.

15 ARTICLE 2. STATE WATER IMPLEMENTATION FUND FOR TEXAS

16 SECTION 2.01. Chapter 15, Water Code, is amended by adding
17 Subchapter G to read as follows:

18 SUBCHAPTER G. STATE WATER IMPLEMENTATION FUND FOR TEXAS

19 Sec. 15.431. DEFINITIONS. In this subchapter:

20 (1) "Advisory committee" means the State Water
21 Implementation Fund for Texas Advisory Committee.

22 (2) "Fund" means the state water implementation fund
23 for Texas.

24 Sec. 15.432. STATE WATER IMPLEMENTATION FUND FOR TEXAS.

25 (a) The state water implementation fund for Texas is a special fund
26 outside the state treasury to be administered without further
27 appropriation by the board under this subchapter and rules adopted

1 by the board under this subchapter.

2 (b) The fund consists of:

3 (1) money transferred or deposited to the credit of
4 the fund by law;

5 (2) the proceeds of any fee or tax imposed by this
6 state that the legislature by statute dedicates for deposit to the
7 credit of the fund;

8 (3) any other revenue that the legislature by statute
9 dedicates for deposit to the credit of the fund; and

10 (4) interest earned on the balance of the fund.

11 Sec. 15.433. USE OF FUND. (a) The board may use money in
12 the fund only to provide financing for projects included in the
13 state water plan that are authorized under Subchapter Q or R of this
14 chapter, Subchapter E, Chapter 16, or Subchapter J or K, Chapter 17.

15 (b) Of the money from the fund used by the board in any state
16 fiscal biennium:

17 (1) not less than 10 percent must be used to finance
18 projects described by Subsection (a) that are designed to serve
19 rural areas; and

20 (2) not less than 10 percent must be used to finance
21 projects described by Subsection (a) for water conservation or
22 reuse.

23 (c) The board shall undertake to use money from the fund to
24 provide financing for projects described by Subsection (a) in each
25 regional water planning area in this state. The board shall
26 prioritize projects in each regional water planning area for
27 purposes of this subsection.

1 (d) The board may not use money in the fund or money
2 transferred from the fund to another fund or account to make a
3 grant.

4 Sec. 15.434. TRANSFERS TO OR FROM OTHER FUNDS OR ACCOUNTS.

5 (a) The board may direct the comptroller to transfer amounts from
6 the fund to the credit of:

7 (1) the water infrastructure fund to be used for the
8 purposes provided by Section 15.433 related to projects included in
9 the state water plan that are authorized under Subchapter Q;

10 (2) the rural water assistance fund to be used for the
11 purposes provided by Section 15.433 related to projects included in
12 the state water plan that are authorized under Subchapter R;

13 (3) the Texas Water Development Fund II state
14 participation account to be used for the purposes provided by
15 Section 15.433 related to projects included in the state water plan
16 that are authorized under Subchapter E, Chapter 16;

17 (4) the agricultural water conservation fund to be
18 used for the purposes provided by Section 15.433 related to
19 projects included in the state water plan that are authorized under
20 Subchapter J, Chapter 17; or

21 (5) the Texas Water Development Fund II economically
22 distressed areas program account to be used for the purposes
23 provided by Section 15.433 related to projects included in the
24 state water plan that are authorized under Subchapter K, Chapter
25 17.

26 (b) If the comptroller transfers an amount from the fund to
27 the credit of another fund or account as provided by this section,

1 the board may direct the comptroller to transfer an amount not to
2 exceed that amount from the other fund or account to the fund if
3 money is available in the other fund or account for that purpose.

4 Sec. 15.435. ADVISORY COMMITTEE. (a) The State Water
5 Implementation Fund for Texas Advisory Committee is composed of
6 nine members appointed as follows:

7 (1) three members appointed by the speaker of the
8 house of representatives;

9 (2) three members appointed by the lieutenant
10 governor; and

11 (3) three members appointed by the governor.

12 (b) The advisory committee shall submit recommendations to
13 the board regarding the use of money in the fund for use by the board
14 in adopting rules under Section 15.436. The board shall give
15 appropriate consideration to the recommendations of the advisory
16 committee before adopting rules under that section.

17 (c) The board shall provide information to the advisory
18 committee on request.

19 Sec. 15.436. RULES. (a) After consulting the advisory
20 committee, the board shall adopt rules providing for the use of
21 money in the fund consistent with this subchapter, including rules:

22 (1) establishing standards for the eligibility for
23 financing under Sections 15.433(a) and (b) of:

24 (A) projects designed to serve rural areas; and

25 (B) water conservation and reuse projects; and

26 (2) specifying the manner for prioritizing projects
27 for purposes of Section 15.433(c).

1 (b) Rules adopted under Subsection (a)(2) must provide for
2 giving a higher priority to projects that meet one or more of the
3 following criteria:

4 (1) the project will have a major effect across a
5 region; or

6 (2) the project will serve an area that is projected to
7 experience a high rate of population or economic growth.

8 SECTION 2.02. Section 15.973(b), Water Code, is amended to
9 read as follows:

10 (b) The fund consists of:

11 (1) appropriations from the legislature;

12 (2) any other fees or sources of revenue that the
13 legislature may dedicate for deposit to the fund;

14 (3) repayments of loans made from the fund;

15 (4) interest earned on money credited to the fund;

16 (5) depository interest allocable to the fund;

17 (6) money from gifts, grants, or donations to the
18 fund;

19 (7) money from revenue bonds or other sources
20 designated by the board; ~~and~~

21 (8) proceeds from the sale of political subdivision
22 bonds or obligations held in the fund and not otherwise pledged to
23 the discharge, repayment, or redemption of revenue bonds or other
24 bonds, the proceeds of which were placed in the fund; and

25 (9) money transferred from the state water
26 implementation fund for Texas as authorized by Section 15.434.

27 SECTION 2.03. Section 15.993, Water Code, is amended to

1 read as follows:

2 Sec. 15.993. FUND. The rural water assistance fund is a
3 special fund in the state treasury. The fund consists of:

4 (1) money directly appropriated to the board for a
5 purpose of the fund;

6 (2) repayment of principal and interest from loans
7 made from the fund not otherwise needed as a source of revenue
8 pursuant to Section 17.9615(b);

9 (3) money transferred by the board from any sources
10 available;

11 (4) interest earned on the investment of money in the
12 fund and depository interest allocable to the fund;

13 (5) money transferred to the fund from the water
14 assistance fund in accordance with Section 15.011(b), including
15 proceeds from the sale of political subdivision bonds by the board
16 to the Texas Water Resources Finance Authority that are deposited
17 in the water assistance fund as provided by Section 17.0871;

18 (6) money from gifts, grants, or donations to the
19 fund;

20 (6-a) money transferred from the state water
21 implementation fund for Texas as authorized by Section 15.434; and

22 (7) any other fees or sources of revenue that the
23 legislature may dedicate for deposit to the fund.

24 SECTION 2.04. Section 17.895, Water Code, is amended to
25 read as follows:

26 Sec. 17.895. SOURCES OF ASSETS. The fund is composed of:

27 (1) money and assets, including bond proceeds,

1 attributable to the bonds;

2 (2) investment income earned on money on deposit in
3 the fund and depository interest earned on money on deposit in the
4 state treasury;

5 (3) money appropriated by the legislature;

6 (4) repayments of principal and interest on loans made
7 under this subchapter;

8 (5) administrative fees charged by the board under the
9 bond program;

10 (5-a) money transferred from the state water
11 implementation fund for Texas as authorized by Section 15.434; and

12 (6) any other funds, regardless of their source, that
13 the board directs be deposited to the credit of the fund.

14 SECTION 2.05. Section 17.957(b), Water Code, is amended to
15 read as follows:

16 (b) The state participation account is composed of:

17 (1) money and assets attributable to water financial
18 assistance bonds designated by the board as issued for projects
19 described in Section 16.131;

20 (2) money from the sale, transfer, or lease of a
21 project described in Subdivision (1) that was acquired,
22 constructed, reconstructed, developed, or enlarged with money from
23 the state participation account;

24 (3) payments received under a bond enhancement
25 agreement with respect to water financial assistance bonds
26 designated by the board as issued for projects described in Section
27 16.131;

1 (4) investment income earned on money on deposit in
2 the state participation account;

3 (4-a) money transferred from the state water
4 implementation fund for Texas as authorized by Section 15.434; and

5 (5) any other funds, regardless of their source, that
6 the board directs be deposited to the credit of the state
7 participation account.

8 SECTION 2.06. Section 17.958(b), Water Code, is amended to
9 read as follows:

10 (b) The economically distressed areas program account is
11 composed of:

12 (1) money and assets attributable to water financial
13 assistance bonds designated by the board as issued for projects
14 described in Subchapter K;

15 (2) money provided by the federal government, the
16 state, political subdivisions, and private entities for the purpose
17 of paying debt service on water financial assistance bonds issued
18 for purposes provided by Subchapter K;

19 (3) payments received under a bond enhancement
20 agreement with respect to water financial assistance bonds
21 designated by the board as issued for purposes provided by
22 Subchapter K;

23 (4) investment income earned on money on deposit in
24 the economically distressed areas program account;

25 (4-a) money transferred from the state water
26 implementation fund for Texas as authorized by Section 15.434; and

27 (5) any other funds, regardless of their source, that

1 the board directs be deposited to the credit of the economically
2 distressed areas program account.

3 SECTION 2.07. As soon as practicable after the effective
4 date of this Act, the speaker of the house of representatives, the
5 lieutenant governor, and the governor shall appoint the initial
6 members of the State Water Implementation Fund for Texas Advisory
7 Committee created under Section 15.435, Water Code, as added by
8 this Act.

9 SECTION 2.08. Not later than December 1, 2013, the Texas
10 Water Development Board shall adopt rules under Section 15.436,
11 Water Code, as added by this Act.

12 ARTICLE 3. EFFECTIVE DATE

13 SECTION 3.01. This Act takes effect September 1, 2013.

By: Fraser

S.B. No. 22

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the administration of the Texas Water Development
3 Board; making an appropriation from the economic stabilization fund
4 to finance certain water-related projects.

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

6 SECTION 1. Section 6.052(a), Water Code, is amended to read
7 as follows:

8 (a) The board is composed of three ~~[six]~~ members who are
9 appointed by the governor with the advice and consent of the senate.

10 SECTION 2. Section 6.054(c), Water Code, is amended to read
11 as follows:

12 (c) If the executive administrator or a member has knowledge
13 that a potential ground for removal exists, the executive
14 administrator shall notify the chairman of the board of the
15 potential ground. The chairman of the board shall then notify the
16 governor and the attorney general that a potential ground for
17 removal exists. If the potential ground for removal includes the
18 chairman of the board, the executive administrator or another
19 member of the board shall notify the member ~~[next highest ranking~~
20 ~~officer]~~ of the board with the most seniority, who shall then notify
21 the governor and the attorney general that a potential ground for
22 removal exists.

23 SECTION 3. Section 6.056, Water Code, is amended to read as
24 follows:

1 Sec. 6.056. TERMS OF OFFICE. (a) The members of the board
2 hold office for staggered terms of six years, with the term ~~[terms]~~
3 of one member ~~[two members]~~ expiring February 1 of each
4 odd-numbered year ~~[every two years]~~. Each member holds office
5 until a his ~~[his]~~ successor is appointed and has qualified.

6 (b) A person appointed to the board may not serve for more
7 than two six-year terms.

8 SECTION 4. Section 6.059, Water Code, is amended to read as
9 follows:

10 Sec. 6.059. CHAIRMAN OF THE BOARD ~~[OFFICERS]~~. ~~[(a)]~~ The
11 governor shall designate one member as chairman of the board to
12 serve at the will of the governor.

13 ~~[(b) The members of the board shall elect a vice chairman~~
14 ~~every two years. The board shall fill a vacancy in the office of~~
15 ~~vice chairman for the remainder of the unexpired term.]~~

16 SECTION 5. Sections 6.060(a) and (b), Water Code, are
17 amended to read as follows:

18 (a) The board shall hold regular meetings and all hearings
19 at times specified by a board order and entered in its minutes ~~[meet~~
20 ~~at least once every other month on a day and at a place within the~~
21 ~~state selected by it, subject to recesses at the discretion of the~~
22 ~~board]~~. The ~~[chairman or two]~~ board ~~[members]~~ may hold special
23 meetings at the times and places in the state that the board decides
24 are appropriate for the performance of its duties. The chairman of
25 the board or the board member acting for the chairman shall give the
26 other members reasonable notice before holding a special meeting
27 ~~[call a special meeting at any time by giving notice to the other~~

1 ~~members~~].

2 (b) The chairman [~~or in his absence the vice chairman~~] shall
3 preside at all meetings of the board. The chairman may designate
4 another board member to act for the chairman in the chairman's
5 absence.

6 SECTION 6. Section 6.061, Water Code, is amended to read as
7 follows:

8 Sec. 6.061. FULL-TIME SERVICE. Each member of the board
9 shall serve on a full-time basis. [~~COMPENSATION; EXPENSES. A~~
10 ~~member is entitled to receive an amount as provided by the General~~
11 ~~Appropriations Act for each day he serves in the performance of his~~
12 ~~duties, together with travel and other necessary expenses.~~]

13 SECTION 7. Section 6.103, Water Code, is amended to read as
14 follows:

15 Sec. 6.103. EXECUTIVE ADMINISTRATOR. The board shall
16 appoint a person to be the executive administrator to serve at the
17 will of the board. The executive administrator shall report to the
18 chairman of the board.

19 SECTION 8. (a) If the state water implementation fund for
20 Texas is created by legislation enacted by the 83rd Legislature,
21 Regular Session, 2013, the amount of \$2 billion is appropriated
22 from the economic stabilization fund to the comptroller for the
23 purpose of depositing that amount to the credit of the state water
24 implementation fund for Texas as money available for use by the
25 Texas Water Development Board for the purposes of the state water
26 implementation fund for Texas.

27 (b) If the state water implementation fund for Texas is not

1 created by legislation enacted by the 83rd Legislature, Regular
2 Session, 2013, the amount of \$2 billion is appropriated from the
3 economic stabilization fund to the comptroller for the purpose of
4 depositing that amount to the credit of the Texas Water Development
5 Fund II as money available for use by the Texas Water Development
6 Board for the purposes of the Texas Water Development Fund II.

7 SECTION 9. (a) Not later than September 1, 2013, the
8 governor shall appoint the initial members of the Texas Water
9 Development Board under Section 6.052, Water Code, as amended by
10 this Act. In appointing the initial members of the board, the
11 governor shall appoint one person to a term expiring February 1,
12 2015, one to a term expiring February 1, 2017, and one to a term
13 expiring February 1, 2019.

14 (b) The terms of the current members of the board expire
15 September 1, 2013.

16 SECTION 10. This Act takes effect September 1, 2013, except
17 that Section 8 of this Act takes effect only if this Act receives a
18 vote of two-thirds of the members present in each house of the
19 legislature, as provided by Section 49-g(m), Article III, Texas
20 Constitution.