

BILL ANALYSIS

Senate Research Center

H.J.R. 81
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Natural Resources
5/10/2001
Committee Report (Amended)

DIGEST AND PURPOSE

With the increasing population of Texas, the need to secure the future of our state's water supply is of vital importance. The Texas Water Development Board (board) currently provides a funding mechanism for new water management strategies and projects through the Texas Water Development Fund II. This fund authorizes the board to issue bonds for a wide range of projects, including water supply projects, water quality enhancement projects, flood control projects, state participation in water and wastewater facilities, and economically distressed areas projects. However, under current law there is a limit on the amount of bonds which the board can issue. As proposed, H.J.R. 81 requires the submission to the voters of a constitutional amendment authorizing the board to issue additional general obligation bonds in an amount not to exceed \$2 billion for the Texas Water Development Fund II.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article III, Texas Constitution, by adding Section 49-d-9, as follows:

Sec. 49-d-9. (a) Authorizes the Texas Water Development Board (board) to issue additional general obligation bonds, for one or more accounts of the Texas Water Development Fund II and the water infrastructure fund, in an amount not to exceed \$2 billion. Requires the board to allocate the first \$50 million in proceeds from any bonds issued under this subsection to the water infrastructure fund.

(b) Provides that Section 49-d-8 of this article applies to the bonds authorized by this section. Provides that the limitation in Section 49-d-8 of this article that the board may not issue bonds in excess of the aggregate principal amount of previously authorized bonds does not apply to the bonds authorized by and issued under this section.

(c) Provides that a limitation on the percentage of state participation in any single project imposed by this article does not apply to a project funded with the proceeds of bonds issued under the authority of Section 49-d-8 of this article or this section.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 6, 2001. Requires the ballot to be printed to provide for voting for or against "The constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board in an amount not to exceed \$2 billion."

SUMMARY OF COMMITTEE CHANGES

SECTION 1. Amends proposed Section 49-d-9(a).