



Chair, Rep. Garnet Coleman

Treasurer, Rep. Elliott Naishtat

Vice Chair, Rep. Lon Burnam

LSG Floor Report For General State Calendar – Wednesday, March 27, 2013

Bill	Caption	Committee	Analysis & Evaluation	Recommendation
HB 4 by Rep. Ritter	Relating to the funding of certain water-related projects by the Texas Water Development Board; authorizing the issuance of revenue bonds.	Natural Resources	<p>As a result of the 2011 drought, Texas saw an economic loss of over \$11 billion. Today 75 percent of the state continues to experience at least moderate levels of drought. The 2012 State Water Plan, a plan developed by the Texas Water Development Board (TWDB) every 5 years to address the state’s water needs, recommended 562 water management strategies to meet Texas’s water needs in preparation for future droughts. Capital cost for implementing this plan would be over \$53 billion, \$27 billion of which must be funded by the state. If nothing is done to address the state’s water needs by 2060, another severe drought would leave half of Texans without adequate water supply and cause economic losses of over \$116 billion.</p> <p>Funding for HB 4 is contingent upon passage of HB 11, which would transfer \$2 billion from the Rainy Day Fund to the State Water Implementation Fund (SWIFT). HB 4 establishes the spending infrastructure for implementation of the State Water Plan. HB 4 creates two funds under the TWDB to help solve Texas’s water crisis: the SWIFT and the State Water Implementation Revenue Fund for Texas (SWIRFT).</p> <ul style="list-style-type: none"> • SWIFT: implementing the state water plan • SWIRFT: providing financing for projects included in the state water plan <p>The SWIFT acts as a revolving fund. It will be held by the Texas Treasury Safekeeping Trust Company (TTSTC), a division of the Comptroller. The fund would consist of money transferred or deposited to the fund by law, the proceeds of any fee or tax imposed by the state, other revenue dedicated by the Legislature to the fund, investment and interest earned on the balance of the fund, and money transferred to the fund under a bond enhancement agreement from another fund or account. SWIFT supports the issuance of bonds, and the proceeds will be loaned to local entities. These are not grants; local entities will repay the principle and interest from loans which in turn will support the issuance of debt and loans for new projects.</p> <p>SWIRFT finances the projects included in the State Water Plan, such as making loans to fund participants, purchasing participant bonds or other obligations, guaranteeing debt service payments, and purchasing insurance.</p> <p>Funds from both accounts can be transferred in and out of the water infrastructure fund, rural water assistance fund, Texas Water Development Fund II state participation account, and the agricultural water conservation fund.</p> <p>The Regional Water Planning Groups will prioritize funding of projects in their regional plan and set general guidelines that must be considered, such as timeline, feasibility, viability, sustainability, and cost-effectiveness. (Continued...)</p>	<p>Favorable Evaluated by: Amanda Foster 512-763-0031 Amanda.foster@texaslsg.org</p>

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			<p>TWDB will prioritize projects by establishing a point system. Highest consideration will go towards projects that will serve a large population, provide assistance to a diverse urban and rural population, or provide regionalization.</p> <p>The bill creates a seven person Advisory Committee that provides oversight for SWIFT and SWIRFT. Members of the committee will consist of one person designated by the comptroller, three appointments from the Lieutenant Governor, and three appointments from the Speaker. The Advisory Committee will provide input to the TWDB on project prioritization, rulemaking, and financial evaluation. The TWDB shall adopt rules for the use of money in the SWIFT, including project funding criteria.</p> <p>TWDB is required to provide a biennial report to the Governor, Lieutenant Governor, Speaker of the House, and members of the Legislature regarding the use of the SWIFT.</p>	
<p>HB 144 by Rep. Raymond</p>	<p>Relating to a mental examination of a child subject to the juvenile justice system.</p>	<p>Corrections</p>	<p>Current law does not state that a judge in a juvenile court has the authority to order a screening for chemical dependency. Presently, 95% of all juvenile drug arrests are for possession and studies show that treatment programs are more effective than incarceration for youth who suffer from chemical dependency. HB 144 adds language to clarify the authority of a judge to order a screening for adolescents that display symptoms of chemical dependency. The judge may also order the screening upon request of the youth's parents, lawyer, probation officer, and/or social worker. It gives low income parents resources they could not otherwise afford. Additionally, this policy helps identify a youth's needs earlier, so that the rehabilitative processes can be promptly initiated. This bill does not add any extra costs to the state, as the programs to screen and treat juveniles are already in existence through Texas Juvenile Justice Department (TJJD).</p>	<p>Favorable Evaluated by: Natalie R. Powell 512-763-0031 Natalie@texaslsg.org</p>
<p>HB 812 by Rep. Cook</p>	<p>Relating to the sunset review of the board of trustees of the Employees Retirement System of Texas.</p>	<p>State Affairs</p>	<p>HB 812 would subject the Employees Retirement System of Texas (ERS) for review by the Sunset Advisory Commission under the Texas Sunset Act beginning in 2015 and every twelve years thereafter. This bill does not subject the ERS to abolishment. The ERS oversees retirement and health benefits for state employees. Passing this legislation seeks to ensure a fair assessment of the effectiveness and efficiency of the ERS in order to consider improvements to the agency's operations and activities.</p>	<p>Favorable Evaluated by: Amanda Williams 512-763-0031 amanda.williams@te xaslsg.org</p>

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