

Bond Case Briefs

Municipal Finance Law Since 1971

Texas Passes New Funds to Support Power and Water Developments.

In 2023, Texas passed two pieces of legislation designed to address concerns about the Texas water supply and the reliability of the state's electric grid. These bills would establish the Texas Water Fund and the Texas Energy Fund to provide state support for water and generation projects. Both measures required constitutional amendments, which passed on November 7 as Proposition 6 (water) and Proposition 7 (dispatchable generation).

Proposition 6 and the Texas Water Fund

Proposition 6 calls for \$1 billion to be appropriated to the Texas Water Fund. The fund will be administered by the Texas Water Development Board (TWDB), which may direct the money to any number of these programs: New Water Supply for Texas Fund (which will receive \$250 million); the State Water Implementation Fund for Texas (and its supporting State Water Implementation Revenue Fund for Texas); the Clean Water or Drinking Water State Revolving Funds; the Rural Water Assistance Fund; the statewide water public awareness account; the Texas Water Development Fund II financial assistance program; and the Texas Water Development Fund II state participation account. In particular, the New Water Supply Fund is authorized to support public-private partnerships, which may serve an increasing role as a solution to the issues facing the global freshwater supply according to a book by Stanford Law Professor and O'Melveny attorney Barton H. Thompson, Jr. titled [*Liquid Asset: How Business and Government Can Partner to Solve the Freshwater Crisis*](#).

[Continue reading.](#)

O'Melveny & Myers LLP

November 10, 2023

Copyright © 2024 Bond Case Briefs | bondcasebriefs.com