



TEXAS HOUSE *of* REPRESENTATIVES

Representative Cecil Bell, Jr.

District 3

Friends of House District 3,

Early voting began yesterday! As a reminder, If you are registered to vote in Montgomery County, [please click here](http://www.mctx.org/election) (www.mctx.org/election) for your polling location and sample ballot. If you are registered to vote in Waller County, [please click here](http://www.wallercountyelections.com) (www.wallercountyelections.com).

Today's focus is solely on Proposition 6, providing for the creation of the State Water Implementation Fund for Texas (SWIFT) and the State Water Implementation Revenue Fund for Texas (SWIRFT). This easy-to-read question and answer setup is designed to present you with the facts on Proposition 6 so that you have an opportunity to make an educated decision in the voting booth. Whatever you decide, thank you for exercising your right to vote!

What does Proposition 6 do?

If Proposition 6 passes, \$2 billion will be transferred from the state's Economic Stabilization Fund, also known as the Rainy Day Fund, to the SWIFT.

Why is this needed?

Texas remains firmly entrenched in one of the longest running droughts in history. Texas' population is on pace to see our current population of 26 million swell to more than 46 million by the year 2060. During that same time period the demand for water is expected to increase by more than 27 percent. Without new supplies, another major drought could be devastating to Texas' economy and jobs.

What is the effect on the Economic Stabilization Fund?

Due to a tremendous rebound in oil and gas drilling and production, over \$2 billion is expected to be deposited to the Fund each year over the next two years. Even if both Proposition 6 and next year's transportation proposition pass, the Fund is expected to have a balance of \$8 billion at the end of 2015.

Does Proposition 6 give any new authority to the state over our water in Montgomery or Waller County?

No. Your groundwater rights or other private property rights will not be affected in any way. Further, the SWIFT will not affect how groundwater conservation districts manage local groundwater supplies.

How will the money be used?

The money can only be used to support projects already identified in the State Water Plan. The State Water Plan encompasses over 500 projects with a range of strategies including inter basin transfers, new groundwater supplies, conservation programs, and seawater desalination. (To view the State Water Plan, click [here](#).) The Texas Water Development Board (TWDB) will be the state agency that administers the fund. The money may be used for low-interest loans, credit enhancement agreements, deferral of interest obligations, and other methods of financial assistance for public entities developing and managing water supplies. Guidelines ensure that 10 percent of projects are in rural venues or are for agricultural water conservation and that 20 percent are for water reuse or conservation.



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Is the money prioritized?

Regional water planning groups will prioritize the projects in their region to determine which best meet short-term and long-term needs, project viability, sustainability, and cost-effectiveness. The highest priority will be given to projects that serve a large population, promote regionalization, and have a large local contribution.

How are these funds going to be protected?

The \$2 billion investment in the SWIFT will be protected by the Texas Treasury Safe Keeping Trust Company. An advisory committee will evaluate the management by the TWDB of the funds. Since it was created in 1957, the TWDB has loaned \$14.3 billion dollars for water and wastewater infrastructure without a single loan default.

What additional benefits will Texas and Texans see?

Every \$1 million invested in the State Water Plan creates \$1.75 million sales revenues in construction, engineering, materials & supporting sectors; \$889,000 in gross state domestic product; \$44,000 in state and local tax receipts; and 13 new jobs.

Is \$2 billion enough?

Unfortunately, no. The projects recommended in the 50-year plan have a cost of \$53 billion. However, SWIFT and SWIRFT are revolving loan programs, meaning repaid principal and interest goes back into the fund for future projects. Scheduled repayment of the loans would increase the funds by about \$750 million a year beginning in fiscal year 2015, according to the Legislative Budget Board. The TWDB estimates that would fund 30 more projects a year.

What happens if Proposition 6 fails?

Sponsors of water projects in the State Water Plan could seek funding through public and private sources, including funds administered by the TWDB.



[What Does Your Drought Look Like? - TWDB](#)