

AGENDA ITEM MEMO

BOARD MEETING DATE: January 19, 2023

TO: Board Members

THROUGH: Jeff Walker, Executive Administrator
Ashley Harden, General Counsel
Rebecca Trevino, Chief Financial Officer

FROM: Jessica N. Peña, Deputy Executive Administrator, Water Supply & Infrastructure

SUBJECT: Chapter 363, Subchapter J Rule Amendments Adoption

ACTION REQUESTED

Consider authorizing the publication of adopted amendments to 31 Texas Administrative Code (TAC) Chapter 363, Subchapter J to implement House Bill (HB 1052) (86th Regular Session).

BACKGROUND

The 86th Texas Legislature enacted HB 1052, amending applicable statutes related to the State Participation Program. Changes made by HB 1052 included (1) adding interregional water supply projects as eligible projects for funding through State Participation and (2) adding a State Participation II account to fund aquifer storage and recovery and desalination projects. This rulemaking implements HB 1052 by making required statutory changes to the rule language and by providing clarity to procedural issues impacted by those statutory changes. The rules also make non-substantive changes to provide greater clarity, update citations, and correct punctuation.

The proposed rules were published in the October 21, 2022, issue of the *Texas Register* for a 30-day public comment period. No comments were received and no changes were made to the proposed rules.

KEY ISSUES

The adopted rules make the following key changes:

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| Our Mission | : | Board Members |
| Leading the state's efforts in ensuring a secure water future for Texas and its citizens | : | Brooke T. Paup, Chairwoman George B. Peyton V, Board Member L'Oreal Stepney, P.E., Board Member |
| | : | Jeff Walker, Executive Administrator |

