

October 24, 2000

PALMETTO BEND CONVEYANCE ACT

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Statement of HON. RON PAUL OF TEXAS

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- Mr. Speaker, Lake Texana (The Palmetto Bend Project), is located in my congressional district near Edna in the Texas Gulf Coast area about midway between Corpus Christi and Houston. Lake Texana supplies roughly 75,000 acre/feet per year of municipal and industrial water to a large multicounty area of Texas. The Lake Texana water is directly responsible for creating over 3,000 jobs in the cities of Edna and Victoria, Texas and water sales from the project make it financially self-sufficient.

- S. 1474 merely facilitates the early payment of the project's construction costs (discounted, of course, by the amount of interest no longer due as a consequence of early payment) and transfers title of the Palmetto Bend Project to the Texas state authorities. Both the Lavaca Navidad River Authority and Texas Water Development Board concur that an early buy-out and title transfer is extremely beneficial to the economic and operational well-being of

the project as well as the Lake Texana water users. The Texas Legislature and Governor George W. Bush have both formally supported the early payment and title transfer.

- This bill will save Lake Texana water users as much as \$1 million per year as well as provide an immediate infusion of millions of dollars to the national treasury. Additionally, all liability associated with this water project are, under my legislation, assumed by the state of Texas thus further relieving the financial burden of the federal government.

- Texas has already demonstrated sound management of this resource. Recreational use of the lake has been well-provided under Texas state management to include provision of a marina, pavilion, playground, and boating docks, all funded without federal money. A woodland bird sanctuary and wildlife viewing area will also be established upon transfer with the assistance of the Texas Parks and Wildlife Department and several environmental organizations.

- My thanks go to members and staff of both the Resources committee and the subcommittee on Energy and Water for their continued assistance with this bill as well as Senator Hutchison and her staff for working with me to move our bill in the Senate.

- Mr. Speaker, I respectfully request my colleague's support for S. 1474 as passed by the Senate.