

SENATE AMENDMENTS

2nd Printing

By: Guillen, Lucio III, Peña, Martinez,
Herrero, et al.

H.B. No. 2374

A BILL TO BE ENTITLED

AN ACT

relating to financing of water and wastewater connections and plumbing improvements in economically distressed areas.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter K, Chapter 17, Water Code, is amended by adding Section 17.923 to read as follows:

Sec. 17.923. RESIDENTIAL PLUMBING ASSISTANCE. (a) Among the public purposes served by this subchapter, the legislature hereby declares that it is in the public interest to protect public health and sanitation by providing financial assistance for the costs associated with first-time connection of public water supply and sanitary sewer services to residences otherwise benefiting from financial assistance under this subchapter.

(b) A political subdivision may use money from financial assistance under this subchapter to pay:

(1) costs to connect a residence to a water distribution system constructed under this subchapter;

(2) costs to provide yard service connections;

(3) costs of connecting a residence to a sewer collection system constructed under this subchapter;

(4) necessary connection fees and permit fees; or

(5) necessary costs of design related to plumbing improvements described in Subdivisions (1) through (4) of this subsection.

1 (c) A political subdivision may only use the money under
2 Subsection (b) to provide financial assistance to a United States
3 citizen.

4 SECTION 2. This Act takes effect September 1, 2009.

ADOPTED

MAY 21 2009

Atty Gen
Secretary of the Senate

By: *Eddie Lucio Jr.*

H.B. No. 2374

Substitute the following for H.B. No. 2374:

By: *Eddie Lucio Jr.*

C.S. H.B. No. 2374

A BILL TO BE ENTITLED

AN ACT

1
2 relating to financial assistance by the Texas Water Development
3 Board for the connection of residences in economically distressed
4 areas to public water supply and sanitary sewer systems.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter K, Chapter 17, Water Code, is amended
7 by adding Section 17.9225 to read as follows:

8 Sec. 17.9225. RESIDENTIAL WATER AND SEWER CONNECTION
9 ASSISTANCE. (a) The legislature finds that, due to public health
10 and sanitation concerns, it is in the public interest to use funds
11 in the economically distressed areas account to provide financial
12 assistance for the costs associated with the initial connection to
13 public water supply and sanitary sewer systems of residences that
14 otherwise benefit from financial assistance.

15 (b) A political subdivision may use financial assistance to
16 pay:

17 (1) the costs of connecting a residence to a public
18 water supply system constructed with financial assistance;

19 (2) the costs of installing yard water service
20 connections;

21 (3) the costs of installing indoor plumbing facilities
22 and fixtures;

23 (4) the costs of connecting a residence to a sanitary
24 sewer system constructed with financial assistance;

1 (5) necessary connection and permit fees; and
2 (6) necessary costs related to the design of plumbing
3 improvements described by this subsection.

4 (c) Assistance under this section shall only be provided to
5 residents who demonstrate an inability to pay for the improvements
6 described in Subsection (b) in accordance with board rules. The
7 board shall adopt rules to implement the provisions of this
8 section.

9 SECTION 2. This Act takes effect September 1, 2009.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 21, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2374 by Guillen (Relating to financial assistance by the Texas Water Development Board for the connection of residences in economically distressed areas to public water supply and sanitary sewer systems.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 17, Subchapter K of the Water Code to authorize the Texas Water Development Board (TWDB) to use funds in the Economically Distressed Areas Account to provide financial assistance to a political subdivision to pay certain costs related to water and wastewater connections and plumbing improvements in economically distressed areas. Financial assistance could be provided only to residents who demonstrate an inability to pay for the improvements described in the bill in accordance with rules that TWDB would be required to adopt. The bill would take effect September 1, 2009.

Based on analysis by TWDB, which administers funds from the Economically Distressed Areas Account, it is assumed any costs associated with adopting rules and adding to the list of uses for which funds may be distributed from the account could be absorbed within existing resources. In addition, this analysis assumes that the amount of funds available in the account would remain the same. Making the same amount of funds available for current and additional uses could result in there being more grants sought than there are funds available for each request. However, because the Office of Rural Community Affairs (ORCA) administers a separate fund for similar purposes, those funds could have more availability if the Economically Distressed Areas Account were to address some of the needs that would otherwise be addressed through the account administered through ORCA.

Local Government Impact

Local governments that qualify for funding from the Economically Distressed Areas Account could benefit to the extent funding is available to meet the needs for which the funds are available. According to information provided by the Texas Commission on Environmental Quality, costs of water and wastewater connections can range from \$1,500 to \$3,000 per household.

Source Agencies: 357 Office of Rural Community Affairs, 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JOB, SD, CL, TP, DB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 6, 2009

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on International Relations & Trade

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2374 by Guillen (Relating to financial assistance by the Texas Water Development Board for the connection of residences in economically distressed areas to public water supply and sanitary sewer systems.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 17, Subchapter K of the Water Code to authorize the Texas Water Development Board (TWDB) to use funds in the Economically Distressed Areas Account to provide financial assistance to a political subdivision to pay certain costs related to water and wastewater connections and plumbing improvements in economically distressed areas. Financial assistance could be provided only to residents who demonstrate an inability to pay for the improvements described in the bill in accordance with rules that TWDB would be required to adopt. The bill would take effect September 1, 2009.

Based on analysis by TWDB, which administers funds from the Economically Distressed Areas Account, it is assumed any costs associated with adopting rules and adding to the list of uses for which funds may be distributed from the account could be absorbed within existing resources. In addition, this analysis assumes that the amount of funds available in the account would remain the same. Making the same amount of funds available for current and additional uses could result in there being more grants sought than there are funds available for each request. However, because the Office of Rural Community Affairs (ORCA) administers a separate fund for similar purposes, those funds could have more availability if the Economically Distressed Areas Account were to address some of the needs that would otherwise be addressed through the account administered through ORCA.

Local Government Impact

Local governments that qualify for funding from the Economically Distressed Areas Account could benefit to the extent funding is available to meet the needs for which the funds are available. According to information provided by the Texas Commission on Environmental Quality, costs of water and wastewater connections can range from \$1,500 to \$3,000 per household.

Source Agencies: 357 Office of Rural Community Affairs, 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JOB, CL, TP, DB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 4, 2009

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on International Relations & Trade

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2374 by Guillen (Relating to financing of water and wastewater connections and plumbing improvements in economically distressed areas.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 17, Subchapter K of the Water Code to authorize a political subdivision to use money from financial assistance only for a United States citizen under that chapter (Economically Distressed Areas account) to pay certain costs related to water and wastewater connections and plumbing improvements in economically distressed areas. The bill would take effect September 1, 2009.

Based on analysis by the Texas Water Development Board, which administers funds from the Economically Distressed Areas account, it is assumed any costs associated with adding to the list of uses for which funds may be distributed could be absorbed within existing resources. In addition, this analysis assumes that the amount of funds available in the account would remain the same. Making the same amount of funds available for current and additional uses could result in there being more grants sought than there are funds available for each request. However, because the Office of Rural Community Affairs (ORCA) administers a separate fund for similar purposes, those funds could have more availability if the Economically Distressed Areas account were to address some of the needs that would otherwise be addressed through the account administered through ORCA.

Local Government Impact

Local governments that qualify for funding from the Economically Distressed Areas account could benefit to the extent funding is available to meet the needs for which the funds are available. According to information provided by the Texas Commission on Environmental Quality, costs of water and wastewater connections can range from \$1,500 to \$3,000 per household.

Source Agencies: 357 Office of Rural Community Affairs, 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JOB, CL, TP, DB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 23, 2009

TO: Honorable Allan Ritter, Chair, House Committee on Natural Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2374 by Guillen (Relating to financing of water and wastewater connections and plumbing improvements in economically distressed areas.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 17, Subchapter K of the Water Code, to authorize a political subdivision to use money from financial assistance under that chapter (Economically Distressed Areas account) to pay certain costs related to water and wastewater connections and plumbing improvements in economically distressed areas. The bill would take effect September 1, 2009.

Based on analysis by the Texas Water Development Board, which administers funds from the Economically Distressed Areas account, it is assumed any costs associated with adding to the list of uses for which funds may be distributed could be absorbed within existing resources. In addition, this analysis assumes that the amount of funds available in the account would remain the same. Making the same amount of funds available for current and additional uses could result in there being more grants sought than there are funds available for each request. However, because the Office of Rural Community Affairs (ORCA) administers a separate fund for similar purposes, those funds could have more availability if the Economically Distressed Areas account were to address some of the needs that would otherwise be addressed through the account administered through ORCA.

Local Government Impact

Local governments that qualify for funding from the Economically Distressed Areas account could benefit to the extent funding is available to meet the needs for which the funds are available. According to information provided by the Texas Commission on Environmental Quality, costs of water and wastewater connections can range from \$1,500 to \$3,000 per household.

Source Agencies: 357 Office of Rural Community Affairs, 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JOB, WK, DB

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

81ST LEGISLATIVE REGULAR SESSION

March 21, 2009

TO: Honorable Allan Ritter, Chair, House Committee on Natural Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2374 by Guillen (Relating to financing of water and wastewater connections and plumbing improvements in economically distressed areas.), **As Introduced**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ) has determined that:

No Water Development Policy Impact Statement will be prepared for this bill under the provisions of *Texas Constitution*, Article 16, Section 59(d), as this bill does not create a conservation and reclamation district.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JOB, WK