

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 26, 2017

TO: Honorable Charles Perry, Chair, Senate Committee on Agriculture, Water & Rural Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB2140** by Lucio (relating to the provision by the Texas Water Development Board of financial assistance for the development of certain projects in economically distressed areas.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill addresses the use of additional General Obligation bonds for Economically Distressed Areas Program (EDAP) authorized by a proposed constitutional amendment. The bill would amend the Water Code to add residential drainage as an eligible project under EDAP in addition to currently authorized water supply and sewer projects. The bill would require TWDB to give highest priority under EDAP to projects that have a substantial effect, including projects that will serve an area for which the Department of State Health Services (DSHS) has issued a nuisance finding resulting from water supply and sanitation problems. The bill would require that TWDB consider other specific factors to determine prioritization. The bill would revise the methodology for determining the amount of funding that may be provided for a project. The bill would require TWDB to annually post information on its website for all EDAP projects.

Based on the analysis of TWDB, the Comptroller of Public Accounts, and DSHS, duties and responsibilities associated with implementing the provisions of the bill could be accomplished using existing resources.

The bill would take effect November 7, 2017, if the associated constitutional amendment is approved by voters at an election on the same date. If the amendment is not approved by voters, the bill would have no effect.

Local Government Impact

According to TWDB, the bill would have no fiscal impact on units of local government.

According to the Texas Association of Counties, the fiscal impact to counties is not anticipated to be significant.

Source Agencies: 304 Comptroller of Public Accounts, 537 State Health Services, Department of, 580 Water Development Board

LBB Staff: UP, SZ, MW, PBO, JGA