

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 16, 2019

TO: Honorable Lyle Larson, Chair, House Committee on Natural Resources

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **SB2452** 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 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The Texas Water Development Board (TWDB) is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, TWDB may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

The bill would amend the Water Code relating to the Economically Distressed Areas Program (EDAP), administered by the Texas Water Development Board (TWDB). The bill would allow TWDB to use EDAP bond proceeds to support public-private partnerships; require that political subdivisions show they are enforcing model subdivision rules; add application requirements for proposed water quality enhancement projects; require TWDB to develop and implement a prioritization system for EDAP applications; and add new program reporting requirements.

The bill would take effect on the date on which the constitutional amendment proposed by the 86th Legislature, Regular Session, providing for the issuance of additional general obligation bonds by TWDB in an amount not to exceed \$200 million to provide financial assistance for the development of certain projects in economically distressed areas takes effect. If that amendment is not approved by voters, the bill would have no effect.

Based on the analysis of TWDB and the Department of State Health Services, duties and responsibilities associated with implementing the provisions of the bill could be accomplished using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 580 Water Development Board, 537 State Health Services, Department of
LBB Staff: WP, PBO, SZ, MW