

## **BILL ANALYSIS**

H.B. 2508  
By: Jetton  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Levee improvement districts (LID) are political subdivisions of Texas that work to provide flood protection and storm water management services. The importance of an LID's role as regionwide flood control district cannot be overstated--flood risks in Texas over the next 30 years are projected to increase by 50 percent, according to a study published by the journal *Nature Climate Change*--and inefficiencies regarding disbursement of money by such a district have been identified. Currently, to make a disbursement, LIDs must use paper checks and obtain multiple signatures from district directors, but it would greatly improve this system if state law provided for an LID's ability to make payments with different signature requirements, by clearinghouse transfer, and by wire or electronic transfer. It is important to update LID resources due to their role in keeping communities safe from floods and any other water-based natural disaster. H.B. 2508 seeks to provide those methods of disbursement as a more efficient means of disbursement by an LID.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 2508 amends the Water Code to authorize the board of directors of a levee improvement district by resolution to allow the following:

- a bank in which the district deposits money to sign disbursements;
- the disbursement of district money to be transferred by Automated Clearing House (ACH); and
- the wire or electronic transfer of district money to vendors or other authorized accounts not in the name of the district.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.