

BILL ANALYSIS

Senate Research Center
89S20043 DNC-F

S.B. 14
By: Perry et al.
Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under existing law, political subdivisions charge developers impact fees for new developments to cover costs associated with the additional needs placed on the political subdivisions' water and wastewater systems associated with the new development.

S.B. 14 is intended to incentivize the use of more efficient water and wastewater infrastructure and appliances in new developments by providing for credits against those impact fees when such equipment is installed by the developer, ultimately reducing both the cost of new housing and the impact of new developments to existing water and wastewater systems.

As proposed, S.B. 14 amends current law relating to the provision by a political subdivision of credits against impact fees to builders and developers for certain water conservation and reuse projects.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 395, Local Government Code, by adding Section 395.0231, as follows:

Sec. 395.0231. CONSERVATION AND REUSE CREDITS AGAINST WATER AND WASTEWATER FEES. (a) Requires a political subdivision to provide a credit against water and wastewater impact fees otherwise assessed to a development to a builder or developer for the construction, contribution, or dedication of an eligible facility, system, or product that results in water reuse, conservation, or savings.

(b) Provides that a facility, system, or product eligible for a credit under this section includes a facility, system, or product that meets certain requirements.

(c) Requires a political subdivision that provides a credit under this section to establish procedures for calculating and applying the credits in a fair and consistent manner and for reviewing and approving credits under this section.

SECTION 2. Effective date: January 1, 2026.