89R12881 DNC-F

By:  Bell of Montgomery H.B. No. 3875

A BILL TO BE ENTITLED

AN ACT

relating to the authority of a political subdivision to provide credits against impact fees to builders and developers for certain water conservation and reuse projects.

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

SECTION 1.  Subchapter B, Chapter 395, Local Government Code, is amended by adding Section 395.0231 to read as follows:

Sec. 395.0231.  CONSERVATION AND REUSE CREDITS AGAINST WATER AND WASTEWATER FEES. (a) A political subdivision may 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)  A facility, system, or product eligible for a credit under this section includes a facility, system, or product that:

(1)  reduces per service unit water consumption, supply requirements, or necessary treatment and distribution infrastructure per service unit;

(2)  decreases the need of wastewater collection and treatment facilities per service unit;

(3)  diminishes the demand for stormwater, drainage, and flood control facilities per service unit; or

(4)  integrates practices or technologies that achieve water efficiency, reuse, or conservation performance that exceed standard compliance requirements.

(c)  A political subdivision that provides a credit under this section shall establish procedures for:

(1)  calculating and applying the credits in a fair and consistent manner; and

(2)  reviewing and approving credits under this section.

SECTION 2.  This Act takes effect September 1, 2025.