

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2374
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Water Development Board (TWDB) historically has not funded construction of service connections on private property for TWDB-funded water and wastewater projects under the Economically Distressed Areas Program, because of the constitutional limitation on the use of public bonds for private benefit. However, customers needing services often cannot afford the cost to connect their residences to the public water or wastewater project. Should the community not be able to afford the private hook-ups, the public investment associated with the project to build the collection, distribution, and treatment facilities may not be usable until the community can obtain additional funding from some other source to make the final service connections to the individual residences. Consequently, the public purpose of the Economically Distressed Areas Program, to eliminate unsanitary water and wastewater conditions and the public health threats associated with those conditions, remains unmet and unresolved.

C.S.H.B. 2374 amends current law relating to financial assistance by the Texas Water Development Board for the connection of residences in economically distressed areas to public water supply and sanitary sewer systems.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to in the Texas Water Development Board in SECTION 1 (Section 17.9225, Water Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter K, Chapter 17, Water Code, by adding Section 17.9225, as follows:

Sec. 17.9225. RESIDENTIAL WATER AND SEWER CONNECTION ASSISTANCE. Provides that the legislature finds that, due to public health and sanitation concerns, it is in the public interest to use funds in the economically distressed areas account to provide financial assistance for the costs associated with the initial connection to public water supply and sanitary sewer systems of residences that otherwise benefit from financial assistance.

(b) Authorizes a political subdivision to use financial assistance to pay the costs of connecting a residence to a public water supply system constructed with financial assistance, the costs of installing yard water service connections, the costs of installing indoor plumbing facilities and fixtures, the costs of connecting a residence to a sanitary sewer system constructed with financial assistance, necessary connection and permit fees, and necessary costs related to the design of plumbing improvements described by this subsection.

(c) Requires that assistance under this section only be provided to residents who demonstrate an inability to pay for the improvements described in Subsection (b) in accordance with Texas Water Development Board (TWDB) rules. Requires TWDB to adopt rules to implement the provisions of this section.

SECTION 2. Effective date: September 1, 2009.