

## **BILL ANALYSIS**

Senate Research Center  
88R9187 ANG-F

H.B. 2508  
By: Jetton (Kolkhorst)  
Water, Agriculture & Rural Affairs  
5/11/2023  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Levee improvement districts (LIDs) are political subdivisions of Texas that work to provide flood protection and stormwater management services. Currently, to pay disbursements, an LID is required to get the signatures of three directors and use paper checks. This is inefficient for LIDs, considering the potential to make payments electronically.

H.B. 2508:

- Allows an LID to have a bank into which it can deposit money for disbursements and permits these disbursements to be transferred by Automatic Clearing House;
- Allows district money be wired or electronically transferred to vendors or other authorized accounts not in the name of the district; and
- Amends the Water Code by adding Section 57.178, relating to the disbursement of LID money, to Subchapter F, Chapter 57, Water Code.

H.B. 2508 amends current law relating to the disbursement of money by a levee improvement district.

### **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 F, Chapter 57, Water Code, by adding Section 57.178, as follows:

Sec. 57.178. DISBURSEMENT OF DISTRICT MONEY. Authorizes the board of directors of a levee improvement district (district) by resolution, to allow:

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

SECTION 2. Effective date: upon passage or September 1, 2023.