

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 11, 2003

TO: Honorable Robert Puente, Chair, House Committee on Natural Resources

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1532 by Cook, Robby (Relating to authority of political subdivisions to exercise the power of eminent domain to acquire rights to water.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Property Code to require a political subdivision to include in a condemnation petition for acquiring rights to groundwater or surface water statements indicating that the political subdivision has prepared a drought contingency plan; developed and implemented a water conservation plan; pursued the availability of feasible and practicable alternative water supplies, and made a bona fide good faith effort to acquire the rights by voluntary purchase or lease. The bill would take effect September 1, 2003.

Local Government Impact

Adding the required statements to the petition would not create costs, but fulfilling those requirements would result in additional costs for a political subdivision to exercise the power of eminent domain to acquire rights to water. The cost would vary depending on the location and size of the land, the type of additional studies and planning needed, and the level of evidence that each court requires to be developed and presented to prove that the political subdivision has met the criteria. It is anticipated that the additional cost per exercise of eminent domain for water rights would not be significant for the state's largest political subdivisions, but could be significant for small political subdivisions.

Source Agencies:

LBB Staff: JK, CL, JB, DLBa