

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 12, 2003

TO: Honorable Kenneth Armbrister, Chair, Senate Committee on Natural Resources

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB542 by Lindsay (Relating to exclusion of land from certain water districts for failure to provide facilities and services.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 49, Water Code, to establish procedures by which a landowner may seek to have their property excluded from certain water districts for failure to provide facilities and services, as long as the land has been taxable by the district for more than 20 years and no bonds issued payable from taxes are outstanding. The bill would take effect immediately if it receives two-thirds vote in each house; otherwise it would take effect September 1, 2003.

Local Government Impact

If a landowner were to successfully have their property excluded from a water district that has not provided facilities or services, the district would lose tax revenue from that land; however, if no services had been provided and because any associated bonds would have been paid off, the negative fiscal impact to the district is estimated to be insignificant. Costs for conducting a hearing on the matter are also expected to be insignificant.

Source Agencies:

LBB Staff: JK, CL, JB, DLBa