

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 15, 2005

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

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB2722 by Gattis (Relating to the procedure for creating certain groundwater conservation districts.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would require the temporary directors of a groundwater conservation district created by the Texas Commission on Environmental Quality under Section 35.012(b), Water Code, to call an election to confirm creation of the district. The confirmation election would be required to place two propositions before the voters: one to confirm creation of the district and the other to approve the district levying a maintenance tax of a specified amount. If the creation of the district is not confirmed, the district would be dissolved, except the district must be maintained until all debts incurred are paid. Any assets remaining after paying off the district's debts would be transferred to the county or counties in which the district is located.

The bill would take effect immediately if it receives the required two-thirds vote in each house; otherwise, it would take effect September 1, 2005. The bill would apply only to a district created on or after the effective date.

Current statute requires an election be held by a newly created district regarding assessment of taxes only.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, WK, DLBa