

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 20, 2005

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

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

IN RE: HB2828 by Hamric (Relating to the powers and duties of a navigation district or port authority.), **Committee Report 2nd House, As Amended**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend Chapter 60 of the Water Code, to add an item purchased from the United States or from Texas, including a Texas state agency, to those items purchased by a navigation district or port authority that are exempt from the requirements of Sections 60.404 (Competitive Bidding Requirements) and 60.405 (Proposal Procedures) of the Water Code. The bill would also authorize a district or an authority to enter into a contract with the United States or Texas, including a Texas state agency, for a contract valued at \$25,000 or more in the aggregate for each 12-month period.

The bill would provide that a navigation district that adopts a safety or security code, policy, or manual may not be sued for noncompliance with that code, policy, or manual.

The bill would amend Chapter 62 of the Water Code, to authorize a district to contract with any person in a county adjacent to the county in which the district is located or with a county adjacent to the district. Under the contract, the district would be allowed to issue bonds and use proceeds from the bonds to finance a project that serves a district purpose in a county adjacent to the district.

The bill would take effect September 1, 2005.

Local Government Impact

The provisions of the bill would provide flexibility in purchases, which could result in savings. By providing immunity from being sued for noncompliance of codes, policies, or manuals adopted for safety or security, provisions of the bill would protect a navigation district from incurring certain legal costs and losses. The positive fiscal impact would vary by district.

Source Agencies:

LBB Staff: JOB, WK, SR, DLBa