

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**March 21, 2005**

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

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

**IN RE: SB355** by Fraser (Relating to the authority of the Texas Commission on Environmental Quality over the issuance of certain district bonds.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would modify Section 49.181(a) of the Water Code to exempt from Texas Commission on Environmental Quality (TCEQ) review, refunding bonds issued to refund bonds issued to and approved by the Farmers Home Administration, the United States Department of Agriculture, the North American Development Bank, or the Texas Water Development Board. 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.

TCEQ reports that since the enactment of the requirement that the agency approve refunding bonds for a project if TCEQ did not approve the original bonds, the agency has only processed two such bond issues. The reduction in workload for TCEQ and associated application fees, therefore, would be insignificant. Both TCEQ and the Water Development Board indicate that the administrative changes required by the provisions of the bill could be handled using existing resources.

**Local Government Impact**

According to the districts contacted and information provided by TCEQ, no significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 580 Water Development Board, 582 Commission on Environmental Quality, 551 Department of Agriculture

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