

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

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

**April 19, 2005**

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

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

**IN RE: SB1726** by Gallegos (Relating to the financing of water and sewer programs in disadvantaged areas in certain counties. ), **Committee Report 1st House, Substituted**

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

The bill would add Harris County and Fort Bend County to the list of counties eligible to receive financial assistance under the Economically Distressed Areas Program (EDAP) for providing water and sewer services. 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 Water Development Board could experience a minor increase in workload associated with the review of additional applications; however, this increase is not expected to be significant.

**Local Government Impact**

If Harris County and Fort Bend County were to apply for financial assistance, they would incur minor costs associated with the application process. If the counties were to receive financial assistance, they would experience a revenue gain for use in providing water and sewer services. The revenue gain would depend on the amount of financial assistance made available. Other counties might experience a negative fiscal impact by having to compete against an additional two counties for the limited amount of assistance dollars.

**Source Agencies:** 580 Water Development Board, 582 Commission on Environmental Quality

**LBB Staff:** JOB, WK, TL, DLBa