

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 17, 2007

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

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

IN RE: HB1502 by Frost (Relating to the resolution by the Texas Water Development Board of certain conflicts between regional water plans.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 16 of the Water Code to specify that if a regional water plan proposes the construction of a water project in another region and the other region objects to the project, the Texas Water Development Board (TWDB) shall resolve the conflict by directing that the project be omitted from the plan. This new provision would apply to a conflict, as defined by the bill, that remains unresolved on the effective date of the act or that arises after that date.

According to the TWDB, there is one current project that could be affected by this new provision. The potential cost to the state to provide the region in which this project resides with a planning grant to develop a replacement water project should this project be removed from the state water plan could be as much as \$430,000 for the 2008-09 biennium.

Local Government Impact

Delays in implementing needed water projects could increase water supply costs to local and regional providers.

Source Agencies: 580 Water Development Board

LBB Staff: JOB, WK, ZS, JF