

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 17, 2007

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

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

IN RE: HB2091 by Hill (Relating to municipal consent to the addition to a political subdivision of land located in the extraterritorial jurisdiction of the municipality.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would add Section 42.0425 to Subchapter C, Chapter 42 of the Local Government Code to prohibit certain political subdivisions from adding land that is located in a municipality's extraterritorial jurisdiction without first obtaining written consent from the municipality. No conditions or other restrictions could be placed on the subdivision as part of the written consent. Section 42.0425 would not, however, apply to the Towne Center Improvement District of Montgomery County.

The bill would add Section 54.0165 to Subchapter B, Chapter 54 of the Water Code to prohibit a municipal utility district from adding land that is located in a municipality's extraterritorial jurisdiction without first obtaining written consent from the municipality. No conditions or other restrictions could be placed on the subdivision as part of the written consent.

Provisions of the bill would apply only to the addition of land on or after the effective date of the bill. The bill would take effect immediately if it were to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Local Government Impact

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

Source Agencies:

LBB Staff: JOB, WK, DB