

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 1, 2007**

**TO:** Honorable Anna Mowery, Chair, House Committee on Land & Resource Management

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

**IN RE: HB2197** by Eissler (Relating to the establishment of regional participation agreements between certain municipalities and special districts.), **As Introduced**

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

The bill would amend the Local Government Code to authorize certain municipalities (as determined by population size and juxtaposition to applicable districts) and certain districts (as determined by having been created by general or special law, having the powers of a municipal management district or a conservation and reclamation district, and its location in relation to applicable municipalities) to enter into a regional participation agreement. The agreement would be for the purpose of furthering regional participation in the funding of eligible programs or projects between the municipality(ies) and the district(s) and other benefited persons.

Under an agreement, a special fund or escrow account could be established, administered, used, and invested to be used solely for funding the costs and expenses of eligible programs or projects. Provisions of the bill would establish the parameters of an agreement.

**Local Government Impact**

It is assumed that applicable municipalities and districts would enter into a regional agreement as a means to better utilize resources; the fiscal impact would vary depending on identified projects pursued under the agreement.

**Source Agencies:**

**LBB Staff:** JOB, WK, DB