

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION
Revision 1

March 27, 2007

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

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

IN RE: HB2561 by Puente (Relating to the authority of a water and sewer utility to acquire property by eminent domain.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 13, Water Code to authorize certain water and sewer utilities to acquire by condemnation only easements or lesser property interests reasonably necessary to comply with federal and state regulations relating to sanitation. A water and sewer utility would not be allowed to exercise the power of eminent domain in a municipality with a population of 1.7 million or more (City of Houston) or in its extraterritorial jurisdiction.

Under Chapter 13, a "water and sewer utility" does not include a municipal corporation or a political subdivision of the state, except an affected county.

Local Government Impact

According to analysis provided by the Texas Rural Water Association and the Texas Municipal Utility Association, no significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, WK, DB