

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

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

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

IN RE: HB3438 by Flores (Relating to the powers and duties of the Rio Grande Regional Water Authority and the establishment of a member conference.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the establishment of a member conference consisting of each county, municipal class entity, water supply corporation, and irrigation district or other water district located within the Rio Grande Regional Water Authority (authority).

The bill would increase from 9 to 12 the number of directors the governor appoints to the authority. The structure of the board and the membership and terms of the board members would be changed. The governor and the county commissioners courts of Cameron, Hidalgo, Starr, Webb, Willacy, and Zapata counties would be required to make applicable appointments to the board of the authority by September 30, 2007.

The watermaster in the affected segment of the Rio Grande basin would be a nonvoting advisor to the authority's board and by September 1 of each year would be required to provide the board a list of all water rights held inside the boundaries of the authority and the authorized use for each water right. On or after the 90th day after the effective date of the Act, the watermaster would be required to determine the number of water rights held by each member of the conference of the authority.

The authority would be authorized to impose a fee or assessment on a member of the conference or another water user to pay authorized expenses of the authority. The bill provides the method for determining the amount of a fee or assessment. An affected entity would be authorized to charge the fee to the entity's operation and maintenance fund or raise the amount in any other authorized manner. A county within the authority would be authorized to contribute county money to the authority. The bill would take effect September 1, 2007.

The Texas Commission on Environmental Quality reports that if the watermaster has to collect fees for the authority, the agency assumes that costs associated with this task would be reimbursed by the authority and would therefore minimize any fiscal impact.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, WK, DB