

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 4, 2007

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

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

IN RE: SB975 by Hinojosa (Relating to the abolition of certain water control and improvement, water improvement, and irrigation districts.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Local Government Code, by adding Section 43.0741 to authorize a municipality located in a county that has a population of 400,000 or more and contains three municipalities with a population of 25,000 or more to adopt an ordinance abolishing a water control and improvement district, water improvement district, or irrigation district that (1) has territorial boundaries which are at least 60 percent within the municipality; (2) diverts raw water from the Rio Grande and delivers at least 80 percent of the raw water within a 12-month period to the city for municipal use; and (3) has no outstanding bonded indebtedness.

The bill would require the Texas Commission on Environmental Quality (TCEQ) to amend current rules. TCEQ indicates that there would be no significant fiscal impact to the agency.

The bill would take effect September 1, 2007.

Local Government Impact

The bill would apply only to a municipality and district located in Hidalgo County. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

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