

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 5, 2007

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

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

IN RE: SB1271 by West, Royce (Relating to county authority to acquire a water or sewer utility system and provide water and sewer services within a municipality.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Section 412.016 of the Local Government Code to lower from 2.8 million or more to 2.0 million or more the population bracket for determining which counties would be authorized to provide a water or sewer utility system to an area within a municipality, with the municipality's approval. The population bracket would also affect which counties may issue general obligation bonds with the approval of qualified voters to finance a water or sewer utility system.

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

Under current statute, the provisions of the bill apply only to Harris County and the counties that adjoin Harris County. The change in population brackets would add Dallas County and the counties that adjoin Dallas 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:

LBB Staff: JOB, DB