LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 18, 2009

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

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

IN RE: HB1174 by Hartnett (Relating to payment by a municipality for certain damages arising from the municipality's operation of its sanitary sewer system.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would authorize a municipality to pay damages arising from the backup of the municipality's sanitary sewer system regardless of whether the municipality would otherwise be liable for the damages.

Local Government Impact

The fiscal impact to a municipality would depend on whether the municipality decided to pay the damages, how many persons or entities suffered damages, the level of damages that occurred, and the cost to mitigate those damages. A municipality would likely be willing to pay damages only if the costs could be absorbed within existing resources.

Source Agencies: LBB Staff: JOB, DB