

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 19, 2009**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

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

**IN RE: HB2063** by Callegari (Relating to the enforcement of rules by a groundwater conservation district.), **As Passed 2nd House**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend Section 36.102 of the Water Code to specify that in an enforcement action taken by a groundwater conservation district against any person that is a governmental entity for a violation of district rules, the limits on the amount of fees, costs, and penalties that a district may impose under certain statutes would constitute a limit on the governmental entity's liability for the violation.

The Savings Provisions in Section 311.031(a), Government Code, would apply to the proposed changes to Section 36.102, Water Code.

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, 2009.

A state or local governmental entity that violates district rules would be protected from excessive revenue losses as a result of the proposed change in statute. For the purposes of this analysis, it is assumed that a state or local governmental entity would not violate the rules of a groundwater conservation district; however, if a violation were to occur, it is assumed there would not be numerous violations and that the fees, costs, and penalties could be absorbed within existing resources. Absent the proposed limits, a governmental entity could otherwise incur higher costs.

**Local Government Impact**

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

**Source Agencies:**

**LBB Staff:** JOB, SZ, SD, DB