

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 20, 2009

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

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

IN RE: HB3335 by Callegari (Relating to the powers of certain water districts.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend various sections of Chapter 49 of the Water Code regarding the powers of certain water districts. Included would be changes to election procedures; applicability of certain sections of the Local Government Code to an impact fee, tax, or other requirement for payment for water, sewer, drainage, reclamation, flood control, road, or park and recreational services or improvements of a district that provides, or proposes to provide, those services or improvements; contracts and authorization of contracts; audit reports of a special water authority, including filing a copy of an audit report with the Texas Commission on Environmental Quality; waiver of sovereign immunity under certain circumstances; and employment of a peace officer by a district. In addition, proposed changes to the Water Code would authorize a district providing potable water or sewer service to household users to finance with ad valorem taxes, mandatory fees, or voluntary contributions, and issue bonds for a fire department to perform all fire-fighting services within the district.

The bill would amend various sections of Chapter 51 of the Water Code regarding water control and improvement districts, Chapter 54 regarding municipal utility districts, and Chapter 59 regarding regional districts.

The bill would amend the Health and Safety Code to exempt a district as defined by Section 36.001 or 49.001 of the Water Code from requirements regarding electricity consumption of a district that relates to the operation and maintenance of wastewater collection and treatment, water supply and distribution, or storm water diversion, detention, or pumping facilities or improvements.

The bill would amend the Local Government Code regarding areas that may be annexed for limited purposes.

The bill would take effect September 1, 2009.

Local Government Impact

The proposed changes to statute would have varying fiscal impacts on each applicable water district and municipality.

Source Agencies:

LBB Staff: JOB, SD, DB, SZ