

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

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**March 30, 2011**

**TO:** Honorable Allan Ritter, Chair, House Committee on Natural Resources

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

**IN RE: SB360** by Fraser (Relating to the composition and use of money in the rural water assistance fund.), **As Engrossed**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend the Water Code to modify the sources of funding to the Rural Water Assistance Fund and the allowable uses of the fund, which is administered by the Water Development Board.

The Water Development Board indicates that any costs associated with the bill could be absorbed within the agency's existing resources.

The bill would take effect September 1, 2011.

**Local Government Impact**

The bill would allow money in the rural water assistance fund to be used to provide low-interest loans to rural political subdivisions for new water-related projects. This could provide savings to local governments borrowing money from the fund; however fiscal impact would vary depending on availability of money in the fund and whether a given locality intends to undertake a qualifying project.

**Source Agencies:** 304 Comptroller of Public Accounts, 551 Department of Agriculture, 580 Water Development Board, 582 Commission on Environmental Quality

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