

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

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

**February 28, 2011**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Natural Resources

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

**IN RE: SB667** by Duncan (Relating to the management of groundwater resources in this state and the rights of landowners in groundwater.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend the Water Code to allow groundwater conservation districts to be created to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and groundwater reservoirs and reservoir subdivisions, and to control subsidence caused by withdrawal of water from reservoirs or their subdivisions, consistent with Section 59, Article XVI of the Texas Constitution.

The bill would authorize a district to develop limits on the production of groundwater that affect the availability of permits issued by the district if the limitations are reasonable and warranted under the district's management plan; consistent with desired future conditions; do not prevent a landowner from a reasonable amount of water for livestock or domestic purposes on the property; and are in accordance with the authority of Chapter 36 or a special law governing a district.

**Local Government Impact**

According to the Live Oak Underground Water Conservation District and the Bee Groundwater Conservation District, the provisions of the bill are not anticipated to have a significant fiscal impact.

**Source Agencies:** 580 Water Development Board

**LBB Staff:** JOB, SZ, TP