LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION Revision 1

April 15, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3137 by Lucio III (Relating to funding construction of regional water projects; authorizing a change in the amount of a fee or assessment imposed by the Rio Grande Regional Water Authority.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Water Code to expand the research and planning program to include construction. The bill would provide that the Texas Water Development Board (TWDB) could enter into contracts with political subdivisions to pay for all or part of constructing a regional water facility. Political subdivisions could apply for financial assistance subject to TPWD rules. For approved applicants, TWDB would be required to enter into a contract, with required inclusions specified by the bill, with the political subdivision. The TWDB indicates any duties associated with bill provisions reasonably could be absorbed within current resources.

This bill would take immediate effect if the bill receives two-thirds the vote of both houses. Otherwise, the bill would take effect September 1, 2013.

Local Government Impact

The bill would provide that for certain affected entities the Rio Grande Regional Water Authority could increase the fee or assessment by not more than 20 percent in any two-year period not to exceed 15 cents per acre foot. The Comptroller indicates that because the provisions allowing for the increase in fees assessed on certain water rights holders are permissive, the ultimate fiscal implications to local governments cannot be determined. Ultimately, the bill could provide local governments with financial assistance for water projects.

Source Agencies: 580 Water Development Board, 304 Comptroller of Public Accounts

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