

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 22, 2015**

**TO:** Honorable Jim Keffer, Chair, House Committee on Natural Resources

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB950** by Lucio III (relating to the review of groundwater conservation districts by the state auditor.), **Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The Bill would revise the existing statute to replace the State Auditor's authority to "audit the records" of a groundwater conservation district with authority to "conduct a financial audit" of a district. The bill would repeal Water Code, Section 36.302, which currently authorizes the State Auditor's Office (SAO) to review a district's achievement of its management plan objectives. The section which would be repealed also provides the SAO authority to perform comprehensive audits to determine whether groundwater conservation districts are achieving the objective of the districts' management plans.

The bill also would clarify who the Texas Commission on Environmental Quality (TCEQ) is authorized to take an enforcement action against when a district has a management plan and approved regional water plan that are in conflict, removing references to the SAO and removing a reporting requirement for information about SAO audits performed on GCD management plans.

The SAO reports that passage of the bill could result in some savings to the extent that the SAO would no longer be authorized to conduct certain types of audits. However, the savings are not expected to be significant. The TCEQ does not expect the bill to have a significant impact on agency workload.

**Local Government Impact**

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

**Source Agencies:** 308 State Auditor's Office, 580 Water Development Board, 582 Commission on Environmental Quality

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