

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

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

**March 31, 2015**

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

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

**IN RE: HB2767** by Keffer (Relating to the powers, duties, and administration of groundwater conservation districts.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Water Code relating to the powers, duties, and administration of groundwater conservation districts. The bill would amend the definition of "operating permit" and permit a groundwater district to impose certain fees for water exportation, administration, and production under certain circumstances. The bill would require a financial audit and other financial statements of the district to be performed in accordance with standards adopted by the American Institute of Certified Public Accountants. Under the provisions of the bill, a county could pay costs and expenses occurred in the creation and organization of a district. The bill would permit the Texas Water Development Board (TWDB) to allocate funds to a district under certain circumstances.

The bill would exempt groundwater conservation districts from complying with the effective and rollback tax rate calculations from certain procedural requirements in Chapter 26 of the Tax Code regarding property tax assessment if the tax is levied and collected under Chapter 36 Water Code.

Under the provisions of the bill, certain individuals could file a petition to the Texas Commission on Environment Quality (TCEQ) regarding the failure of a district's actions. Under certain conditions, TCEQ would be required to select a review panel in actions to take against a district. The bill would amend the provisions regarding the addition of land by petition of land by land owner, petition and the election or ratify the annexation of land. TWDB and TCEQ indicate that any costs associated with the bill could be absorbed within existing resources.

**Local Government Impact**

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

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

**LBB Staff:** UP, SZ, SD, EK, AG, PM