

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 27, 2015

TO: Honorable Troy Fraser, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB1894** by Garcia (Relating to the powers and duties of navigation districts, port authorities, and boards of trustees of municipal port facilities.), **As Introduced**

The bill could result in an indeterminate negative fiscal impact to the Permanent School Fund, should districts limit or restrict the State's right to develop minerals associated with State property, but the impact cannot be determined at this time because it is not known whether and on which property restrictions would be placed.

The bill would amend certain sections of the Government Code and Water Code, relating to the powers and duties of navigation districts, port authorities, and boards of trustees of municipal port facilities. According to the General Land Office, the bill would allow districts the right to impose restrictions on the development and use of property in connection with a sale or exchange of such property with the State, including property associated with mineral rights. Should districts limit or restrict the State's right to develop minerals associated with State property, the result could be a negative fiscal impact to the Permanent School Fund. As there are no specific properties identified in the bill, nor can it be assumed whether limitations would be imposed, the fiscal impact of the bill cannot be determined at this time.

The bill would take effect immediately upon receiving a two-thirds majority vote in each house. Otherwise, the bill would take effect September 1, 2015.

Local Government Impact

The fiscal implications of the bill, if any, for navigation districts or the navigation and canal commission cannot be determined at this time. Port Freeport does not anticipate any fiscal impact as a result of the bill.

Source Agencies: 304 Comptroller of Public Accounts, 305 General Land Office and Veterans' Land Board, 455 Railroad Commission, 582 Commission on Environmental Quality

LBB Staff: UP, SZ, JJ, PM, KVe