

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 3, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1045** by Wilson (Relating to the dissolution of a special utility district after the transfer of all obligations and services.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Water Code to establish a process by which a special utility district may legally dissolve, provided that its assets, liabilities, and certificate of convenience and necessity would have previously been transferred to, or assumed by, another political subdivision. In order to dissolve, a two-thirds vote of the members of the board would be required. Based on the analysis of the Water Development Board, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

Based on the analysis of the Texas Municipal League, the dissolution process may result in a city (as a governmental entity) incurring some liability from the special utility district, but this would be a case by case situation.

Source Agencies: 580 Water Development Board

LBB Staff: UP, BM, JGA, SZ, MW, KJH