

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 12, 2003

TO: Honorable Phil King, Chair, House Committee on Regulated Industries

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3037 by Cook, Robby (Relating to energy aggregation by political subdivisions.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would authorize a political subdivision aggregator to make contracts for the purchase of electricity and energy services, and take any other action necessary to purchase electricity and energy services on behalf of the citizens of the political subdivision. The political subdivision would be prohibited from adopting an ordinance or resolution providing automatic enrollment of citizens unless a majority of the qualified voters of the political subdivision approve of the ordinance or resolution in an election. If automatic enrollment passes, the political subdivision would be required to mail a written notice to each citizen.

The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, it would take effect September 1, 2003.

Local Government Impact

A political subdivision would incur the costs of holding an election and of mailing notices to its residents if automatic enrollment is approved by the voters. If the election is held on a uniform election date, the costs would be insignificant.

Source Agencies:

LBB Staff: JK, JRO, DLBa