

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

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 8, 2003**

**TO:** Honorable Robert Puente, Chair, House Committee on Natural Resources

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB3537** by Laubenberg (Relating to providing water services within the extraterritorial jurisdiction or ultimate planning boundaries of municipalities.), **As Introduced**

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

The bill would require certain water supply corporations to apply for approval from the Texas Commission on Environmental Quality (TCEQ) prior to assessing impact fees, charges, fees, assessments and contributions. The commission would be required to establish rules for reviewing the applications and would be authorized to charge a fee to cover the costs of review. The requirements for corporations would apply only to those that provide water service within the extraterritorial jurisdiction or ultimate planning area of a municipality located in a county with a population of 500,000 or more or adjacent to a county with a population of that amount.

The bill would take effect September 1, 2003.

There are 370 of the 800 water supply corporations to which the provisions of the bill would apply. The commission anticipates that the review fee that would be imposed on the corporations would be \$100 per application. The commission estimates there would be 100 new applications submitted annually. Costs to the commission would be absorbed within existing resources, including the review fee.

**Local Government Impact**

In addition to the \$100 review fee, water supply corporations may also incur costs for a consultant for professional analysis or justification of the proposed fees. While that is not a requirement, if a corporation hires a consultant, as is anticipated, the consultant fee ranges from \$1,500 to \$7,500 per analysis, depending on the depth of the analysis.

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

**Source Agencies:** 582 Commission on Environmental Quality

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