

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

**FISCAL NOTE, 79TH LEGISLATURE 1st CALLED SESSION - 2005**

**July 5, 2005**

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

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: HB79** by Puente (Relating to water conservation.), **As Introduced**

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

The bill would mandate that the Texas Commission on Environmental Quality (TCEQ) require the submission of water conservation plans to the Texas Water Development Board (TWDB) by retail public utilities that provide water service to a population of 3,300 or more. The bill would also make changes to statute regarding the TCEQ's review of requests by property owners and managers to change from submetered to allocated billing. The bill would allow the TWDB to provide grants for water conservation projects and require the TWDB to develop and implement a statewide water conservation public awareness campaign if funds are appropriated for that purpose. The bill would require the TWDB to give priority to applications for funds for implementation of water supply projects to the state water plan by entities that have demonstrated significant water conservation savings or who will achieve savings for which the financial assistance is sought.

The bill would allow the Texas Building & Procurement Commission to contract with a private vendor to install water conserving plumbing fixtures in state buildings and would create certain requirements for installers of irrigation systems of municipalities with a population of 5,000 or more. In addition, the bill would require the TCEQ to adopt standards relating to the design, installation, and operation of irrigation systems; the duties and responsibilities of licensed irrigators; and rules that provide for effective enforcement.

The bill would take effect immediately if it receives a vote of two-thirds of the members of each house. If it does not receive the required vote for immediate effect, it would take effect on November 1, 2005.

This estimate assumes that any additional costs to state agencies in implementing the provisions of the bill could be absorbed within existing budgets. This estimate assumes that no funds would be appropriated for the public awareness campaign operated by the TWDB. If the Legislature chose to appropriate funds for this purpose the cost could be significant. If the program were to be on the scale of the "Don't Mess With Texas" campaign operated by the Department of Transportation, it is estimated that such an outreach program could cost between \$5.8 million and \$9.9 million per fiscal year.

**Local Government Impact**

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

**Source Agencies:** 303 Building and Procurement Commission, 308 State Auditor's Office, 580 Water Development Board, 582 Commission on Environmental Quality

**LBB Staff:** JOB, SR, WP, WK, TL