

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 10, 2005

TO: Honorable Kenneth Armbrister, Chair, Senate Committee on Natural Resources

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

IN RE: HB467 by Bailey (Relating to the financing of water and sewer programs and the provision of sewer connections in disadvantaged areas in certain counties.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 16, Water Code, to add Harris County and Fort Bend County to the list of counties eligible to adopt the model rules and to receive financial assistance under the Economically Distressed Areas Program (EDAP) for providing water and sewer services. Harris and Fort Bend counties would be authorized to limit applicability of the model rules to only the portion of the county for which the application is made.

The bill would amend Subchapter K, Chapter 17, Water Code, to require a municipality in an economically distressed area, upon request of an owner or occupant of land where a new residential structure is being constructed and that is adjacent to a street, to provide sewer service connections on both sides of the street

The bill would take effect immediately if it receives the required two-thirds vote in each house; otherwise, it would take effect September 1, 2005.

The Water Development Board could experience a minor increase in workload associated with the review of additional applications; however, this increase is not expected to be significant.

Local Government Impact

If Harris County and Fort Bend County were to apply for financial assistance, they would incur minor costs associated with the application process. If the counties were to receive financial assistance, they would experience a revenue gain for use in providing water and sewer services in the applicable areas. The revenue gain would depend on the amount of financial assistance made available. Other counties might experience a negative fiscal impact by having to compete against an additional two counties for the limited amount of assistance dollars.

The cost of providing sewer service connections on both sides of the street would vary by affected county.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

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