

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 4, 2005

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

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

IN RE: HB2585 by Hilderbran (Relating to the rates of and billing cycle used by a water and sewer utility.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 13 of the Water Code to prohibit a water and sewer utility from adopting or using a billing cycle for retail service that is less than 30 days. It would also prohibit those utilities from filing a statement of intent to increase rates more than once in a five-year period, unless the regulatory authority determines that financial hardship exists. The bill would take effect September 1, 2005.

Under current statute, a water and sewer utility may file a statement of intent to raise its rates no more than once in a 12-month period. Current statute does not address the length of the billing cycle.

Local Government Impact

Chapter 13, Water Code, does not apply to utilities owned by a municipal corporation, therefore, no fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, WK, JB, DLBa