

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 1, 2005

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

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

IN RE: HB2876 by Callegari (Relating to certificates of public convenience and necessity for water service and sewer service.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Subchapter F, Chapter 13, Water Code relating to certificates of convenience and necessity (CCN) for water service and sewer service to require consideration by the Texas Commission on Environmental Quality (TCEQ) of regionalization on an application for a new or amended CCN, rather than just for a new CCN application. The bill would establish other administrative requirements, as well. In addition, the bill would amend Subchapter G, Chapter 13, Water Code, by adding Section 13.258 to require a CCN holder to record a copy of the CCN in the real property records of each county included within the CCN.

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.

TCEQ would be required to propose and adopt rules, policies, and procedures to implement the provisions of the bill, and anticipates being able to do so using existing resources.

Local Government Impact

Local governments, who are CCN holders, would experience increased costs associated with mailing notices to landowners, obtaining consent from landowners, and exercising rights of eminent domain. Local governments may also experience increased costs to put survey data in an acceptable data format compatible with TCEQ's GIS system used to review data pertaining to water supply data. Costs for complying with the provisions of the bill would vary among local governments.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, WK, DLBa