

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 6, 2005

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

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

IN RE: HB3284 by Guillen (Relating to requiring voter approval for certain rate increases by water and sewer utilities.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would prohibit a water or sewer utility or a water supply or sewer service corporation from cumulatively increasing rates by 25 percent or more in a calendar year, except if the increase is necessary to ensure the provision of continuous and adequate services; otherwise, a majority of the customers or members of the water or sewer utility or corporation affected by the proposed rate increase would have to vote by ballot mailed with a billing or separately to approve the increase. The bill would take effect September 1, 2005.

Local Government Impact

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

Source Agencies:

LBB Staff: JOB, WK, DLBa