

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 3, 2005

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

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

IN RE: SB765 by Armbrister (Relating to the regulation of water and sewer utility services.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Commission on Environmental Quality (TCEQ) to amend a municipality's certificate of public convenience and necessity (CCN) when a municipality (with a population of at least 750,000) would apply to extend the certificated area to match the municipality's boundaries. The bill would require the municipality to provide notification of the application to affected landowners owning 100 acres or more. The bill would also modify procedures relating to the revocation of CCNs as well as provisions for water utilities compensating other utilities for providing services in decertified areas.

Local Government Impact

Municipalities applying for a new or amended certificate of convenience and necessity (CCN) could experience additional costs associated with providing mailed notices to large landowners and filing a CCN map with the county clerk for each county covered by the CCN. The cost would depend on the number of landowners requiring notice.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, WK, ZS, TL