

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 1, 2007**

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

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

**IN RE: HB3862** by McClendon (Relating to the duties of a water service provider in an area served by a municipal sewer service.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would add Section 402.911 to Subchapter Z of Chapter 402, Local Government Code, to establish duties of a municipality that provides sewer services in an area in which another entity provides water service to the area and the municipality provides water service to other areas. Included would be the requirement that the municipality reimburse the water service provider for its reasonable and actual incremental costs for providing services to the municipality under the section of statute. The bill would take effect September 1, 2007.

**Local Government Impact**

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

**Source Agencies:**

**LBB Staff:** JOB, WK, DB