

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

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

**March 26, 2007**

**TO:** Honorable Phil King, Chair, House Committee on Regulated Industries

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

**IN RE: HB3961** by Turner (Relating to procedures of the Public Utility Commission of Texas with regard to certain transactions.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Utilities Code relating to procedures of the Public Utility Commission (PUC) with regard to certain transactions by prohibiting a public utility, holding company, or affiliate from conducting certain transactions unless the PUC approves the transaction and specifying criteria for analyzing each transaction. The bill would also prohibit the PUC from approving certain transactions if the purchaser, assignee, or lessee has debts or is capitalized in a manner that would adversely affect the rates or services of the purchaser, assignee, or lessee.

Based on the analysis of the PUC, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

This bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or would otherwise take effect on September 1, 2007.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 473 Public Utility Commission of Texas

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