

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 21, 2011

TO: Honorable Allan Ritter, Chair, House Committee on Natural Resources

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

IN RE: HB193 by Walle (Relating to the location of water utility rate hearings conducted by the Texas Commission on Environmental Quality.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB193, As Introduced: an impact of \$0 through the biennium ending August 31, 2013.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|--------------------|---|
| 2012 | \$0 |
| 2013 | \$0 |
| 2014 | \$0 |
| 2015 | \$0 |
| 2016 | \$0 |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Savings/(Cost) from Water Resource Management 153 | Change in Number of State Employees from FY 2011 |
|--------------------|---|---|
| 2012 | (\$185,432) | 2.0 |
| 2013 | (\$177,432) | 2.0 |
| 2014 | (\$177,432) | 2.0 |
| 2015 | (\$177,432) | 2.0 |
| 2016 | (\$177,432) | 2.0 |

Fiscal Analysis

The bill would require the Texas Commission on Environmental Quality (TCEQ) to hold contested case hearings locally within the service area of a water utility that is the subject of the hearing.

Methodology

It is estimated that the TCEQ would incur rulemaking costs and increased travel costs in the agency's Utilities & Districts Section, Plan and Groundwater Review, Environmental Law Division, and the Office of Public Interest Council. It is estimated that there would be an average of 48 cases per year that would require travel to other venues outside of the agency's headquarters in Austin. Travel time for approximately 48 cases annually for four staff members is estimated to be 3,072 hours. This estimate assumes that 2.0 additional FTEs would be needed because of increased time frames for

reviewing and processing of certificate and convenience and necessity cases resulting from travel times. This estimate assumes that costs of the additional FTEs and travel would be paid out of the General Revenue-Dedicated Water Resource Management Account No. 153.

Local Government Impact

Local governments involved in contested case hearings could experience savings because they would not be required to travel to Austin. The savings would depend on the entity's distance from Austin and the number of contested cases the entity would be involved in.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, SZ, ZS, TL