

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 24, 2011

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

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

IN RE: HB1319 by Laubenberg (Relating to the calculation and reporting of water usage by municipalities and water utilities.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

This bill would require regional water plans to include information on projected water use and conservation in the regional water planning area and the implementation of state and regional water plan projects, including water conservation strategies, necessary to meet the state's projected water demands. The bill would require the Texas Commission on Environmental Quality (TCEQ) and the Texas Water Development Board (TWDB), in consultation with the Water Conservation Advisory Council, to develop a uniform system for calculating water use and conservation by January 1, 2013. The bill would require TWDB to submit a report to the Legislature no later than January 1 of each odd-numbered year, which includes the most recent data relating to statewide water usage in various sectors and a data collection and reporting program for municipalities and water utilities with more than 3,300 connections.

TCEQ and TWDB indicate that any costs associated with the bill could be absorbed within each agency's existing resources.

The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house; otherwise it would take effect September 1, 2011.

Local Government Impact

TWDB estimated that 200 utilities are not currently capable of reporting water use by sector as would be required by the bill. Of these, 50 are assumed to not have the necessary software to report in this manner and would need to purchase software. The remaining 150 are assumed to have the necessary software but would require additional coding of customer accounts for detailed reporting.

TWDB estimated the cost of software at \$10,000 to \$35,000 per utility (50 total), and the cost of coding at \$3,000 to \$5,000 per utility (200 total), for a total one-time cost of compliance estimated between \$1,100,000 and \$2,750,000 statewide.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

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