

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**March 8, 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 and conservation by municipalities and water utilities.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

This 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 system would be used by a municipality or water utility in developing water conservation plans and preparing reports.

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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