LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 18, 2011

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

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

IN RE: HB2888 by Munoz, Jr. (Relating to expedited release from a certificate of public convenience and necessity for water and sewer service for certain landowners.), As **Introduced**

No significant fiscal implication to the State is anticipated.

The bill would allow a landowner to petition for an expedited release from a Certificate of Convenience and Necessity under certain conditions. Passage of the bill is not expected to have a significant fiscal impact on the Texas Commission on Environmental Quality (TCEQ).

Local Government Impact

The ability of local and other governmental entities with CCNs to repay loans secured for facilities dedicated to serve the requested area may be impacted by the release of landowners.

The Water Code specifies that compensation may be awarded to the CCN holder, but the award of compensation does not occur until another retail public utility proposes to serve the area.

Costs to local governments would vary depending on the number of landowners seeking expedited release under the provisions of the bill.

Source Agencies: 582 Commission on Environmental Quality **LBB Staff:** JOB, SZ, TL, KKR