

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

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

**May 27, 2011**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

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

**IN RE: HR2572** by Smith, Wayne (Suspending limitations on conference committee jurisdiction, H.B.No. 2694.)

**No fiscal implication to the State is anticipated as compared to current law.** Passage of the resolution would result in a revenue loss to the Water Resource Management Account No. 153 of: (\$1,654,056) per each fiscal year beginning in fiscal year 2013 as compared to the House Engrossment of House Bill 2694; and (\$5,642,992) per fiscal year beginning in fiscal year 2013 as compared to the version of House Bill 2964 As Passed by the Senate.

In the House Engrossment of House Bill 2694, a one percent Water Utility Regulatory Assessment would have been extended to water service corporations, as opposed to a one-half percent rate under current law, which would have resulted in a revenue gain to the General Revenue-Dedicated Water Resource Management Account No. 153 of \$1,654,056 per fiscal year. In the version of House Bill 2694 As Passed by the Senate, a one percent Water Utility Regulatory Assessment would have been extended to both water service corporations and water districts, as opposed to one-half percent under current law, which would have resulted in a revenue gain to the General Revenue-Dedicated Water Resource Management Account No. 153 of \$5,642,992 per fiscal year. The revenue gains would not have been realized until fiscal year 2013 due to the timing of the assessment by the Texas Commission on Environmental Quality. In the Conference Committee Report for House Bill 2694, there is no provision to extend the one-percent Water Utility Regulatory Assessment to either water supply corporations or to water districts, and therefore no revenue gain to the Water Resource Management Account No. 153.

**Local Government Impact**

Local governments operating a water supply corporation that would have experienced an increase in fee payments for the Water Utility Regulatory Assessment fee proposed under the House Engrossment of House Bill 2694 and the version of House Bill 2694 As Passed by the Senate would see no fee increase under the Conference Committee Report for House Bill 2694.

**Source Agencies:**

**LBB Staff:** JOB, SD, TL