

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

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

**March 21, 2011**

**TO:** Honorable John Carona, Chair, Senate Committee on Business & Commerce

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

**IN RE: SB504** by Davis (Relating to discounted utility rates for school districts.), **As Introduced**

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

The bill would amend existing law by adding school districts and open-enrollment charter schools to the list of educational entities eligible for discounted utility rates from municipal and electric utilities.

Based on the analysis of the Public Utility Commission it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

The bill would require electric utilities, including municipally owned utilities, to offer a 20 percent reduction in electricity rates for school districts and open-enrollment charter schools, exempting utilities for which the 20 percent reduction would equal or exceed one percent of annual revenues. This provision would provide for a decrease in revenues to municipally owned utilities; however, fiscal impact is not anticipated to be significant.

**Source Agencies:** 473 Public Utility Commission of Texas, 701 Central Education Agency

**LBB Staff:** JOB, AG, MW, RAN, KKR