

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 15, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB857** by Lucio III (Relating to the frequency of water audits by certain retail public utilities.), **As Passed 2nd House**

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

The bill would amend the Water Code to require a retail public utility that provides potable water to perform and file an annual water audit with the Texas Water Development Board (TWDB) computing the utility's system water loss during the preceding year beginning not later than May 1, 2014. A retail public utility that does not receive financial assistance from TWDB and is providing service to 3,300 or fewer connections must perform and file an audit every five years.

**Local Government Impact**

There could be costs to certain retail public utilities that would vary by utility depending on current reporting procedures and costs for a water loss audit.

According to a previous study conducted by TWDB, estimated costs to a retail public utility to complete an annual water loss audit ranged from less than \$1,000 to \$20,000 depending on the size of the utility and their current records system.

**Source Agencies:** 580 Water Development Board

**LBB Staff:** UP, SZ, TP