

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 14, 2013

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

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 Introduced**

<p>No fiscal implication to the State is anticipated.</p>
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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. Under current statute, a retail public utility that receives financial assistance from TWDB must perform and file an audit annually, but is only required to file every five years if the utility does not receive financial assistance.

The bill would repeal Section 16.0121(b-1) of the Water Code.

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