

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: HB1973 by Lucio III (Relating to the provision of water by a public utility or water supply or sewer service corporation for use in fire suppression.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would provide for the governing body of a municipality to adopt standards that would be set by the Texas Commission on Environmental Quality (TCEQ) requiring a utility to maintain a minimum sufficient water flow and pressure to fire hydrants in residential areas, as defined by the bill. A municipality would be authorized to notify the TCEQ of a utility's failure to comply with an adopted standard, and the TCEQ would be charged with enforcing the violation of the standard. The bill's provisions that require a municipality that adopts fire suppression standards to enter into a memorandum of understanding with a utility would not apply to a municipality with a population over 1.9 million.

Although the bill would expand the number of entities under the TCEQ's regulatory jurisdiction with respect to water flows for fire suppression, passage of the bill is not expected to result in significant costs to the agency.

Local Government Impact

Local governments that are regulatory authorities could incur increased enforcement costs when requiring adequate water capacity and pressure for fire suppression. Local governments that do not currently have adequate fire-flow standards would experience cost increases to install new water lines, provide additional storage, install service pumps, obtain increased water supply capacity, etc. in order to provide sufficient capability. However, the significance of any cost increases would vary depending on the characteristics of each system and service area.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: UP, SZ, KKR, TL