

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 1, 2017

TO: Honorable Lyle Larson, Chair, House Committee on Natural Resources

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4221 by Elkins (Relating to requiring owners of sanitary sewer systems to report the current condition of a system's infrastructure to the Texas Commission on Environmental Quality.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Texas Water Code, Chapter 13 to require retail public utilities that provide sewer utility service to report to the Texas Commission on Environmental Quality (TCEQ) the current condition of the utility's sewer system, with the various possible conditions defined in the bill. The bill would require this report to occur at least one every 10 years, and would require TCEQ to compile information from the report and post the information on TCEQ's website. The bill would require the first such report by retail public utilities to be submitted on or before December 1, 2018. The bill would take effect immediately upon a two-thirds vote, or on September 1, 2017.

The Public Utility Commission and TCEQ estimate that implementing the provisions of the bill could be done using existing resources.

Local Government Impact

TCEQ estimates fiscal implications for local and other governmental entities that are classified as retail public utilities that provide sewer service, but that the costs would be site-specific.

According to the Texas Municipal League, there could be costs to smaller municipalities that do not have an engineer on staff; however, the fiscal impact would vary from municipality to municipality.

Source Agencies: 473 Public Utility Commission of Texas, 582 Commission on Environmental Quality

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