

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 6, 2025

TO: Honorable Charles Perry, Chair, Senate Committee on Water, Agriculture and Rural Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB29 by Gerdes (relating to water losses reported by certain municipally owned utilities to the Texas Water Development Board; authorizing administrative penalties), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs and revenue implications associated with the bill would be insignificant.

Local Government Impact

There could be a cost to certain municipally owned water utilities with more than 150,000 service connections that would be required to conduct water loss audit validations, develop water loss mitigation plans, and update the utilities' water conservation plans. Municipally owned water utilities could be assessed a \$25,000 administrative penalty for each violation of the requirements outlined in the bill.

Source Agencies: 304 Comptroller of Public Accounts, 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JMc, FV, BC, CWi, TUf, CMA, AJL