State Corporation Commission
2025 General Assembly Session
State Fiscal Impact Statement

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Bill Number: HB2711 **Patron:** Lopez
Bill Title: Water utilities and wastewater utilities; eligible infrastructure replacement and enhancement; cost recovery.

Bill Summary: Permits a water or wastewater utility to petition the State Corporation Commission for the approval of an eligible infrastructure replacement and enhancement plan, as defined in the bill, to recover related eligible infrastructure costs.

Budget Amendment Necessary: No **Items Impacted:** None
Explanation: Not applicable

Fiscal Summary: The fiscal impact on the State Corporation Commission (SCC) is indeterminate.

General Fund Expenditure Impact: None

Nongeneral Fund Expenditure Impact: Indeterminate

Position Impact: None

Fiscal Analysis: The legislation creates a new section of the Code, Eligible Infrastructure Replacement and Enhancement (EIRE), for water utility or wastewater utility projects and requires the SCC to approve or deny a utility's initial petition for approval of an EIRE plan within 180 days after receipt of such. For approved plans that a utility wishes to amend, the SCC is required to approve or deny such amendments within 120 after receipt. In cases where the SCC denies a plan or amended plan, the utility can refile within 60 days and then the SCC is required to approve or deny the resubmission within 60 days. In cases where a utility files an EIRE in conjunction with a rate case, the time periods listed for SCC review do not apply.

It is unknown the impact that this legislation will have on SCC workload. If utilities file an initial or amended EIRE outside of a rate case filing, this will result in an increase to SCC staff workload and will require additional staffing resulting in an additional cost to the SCC. An increase in the Commission's non-general fund appropriation would be needed for any increased costs.

Other: None