

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 13, 2003

TO: Honorable Robert Puente, Chair, House Committee on Natural Resources

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1618 by Cook, Robby (Relating to allowing groundwater conservation districts to limit the export of water.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would authorize groundwater conservation districts to restrict the export of groundwater if the district determines that studies of the area indicate that the district would be unable to meet its projected future water demand. The bill would take effect September 1, 2003 and would apply to a permit application filed with the Texas Commission on Environmental Quality on or after or pending before the commission on that date.

Neither the Bee Groundwater Conservation District nor the Harris-Galveston Coastal Subsidence District anticipate a fiscal impact; however two groundwater conservation district associations estimate a more varied impact.

According to the Texas Groundwater Conservation Association (TGCA), the level of studies required to determine if determine the district's ability to meet its projected future water demand could range in cost from a few thousand (insignificant) to a more significant amount if extensive studies are necessary. TGCA also assumes that there may be a need for a district to obtain legal advice, adding to costs.

The Texas Alliance of Groundwater Districts estimates there would be insignificant additional costs unless, as a result of more restrictive regulations for the transfer of water out of the district, an exporter were to bring legal actions against the district; in which case, substantial legal costs would occur.

Local Government Impact

The fiscal impact would vary by district, depending on the level of studies required and if any legal costs are incurred.

Source Agencies:

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