

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 27, 2005

TO: Honorable Kenneth Armbrister, Chair, Senate Committee on Natural Resources

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB344 by Duncan (Relating to the notice, hearing, rulemaking, and permitting procedures for groundwater conservation districts.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Section 36.101 of the Water Code to add procedures a groundwater conservation district (GWCD) must follow regarding posting notice of a rulemaking hearing and how the hearing must be conducted. Subchapter D, Chapter 36, Water Code would be amended to authorize the board of a GWCD to adopt an emergency rule without prior notice or hearing, or with an abbreviated notice and hearing, under certain circumstances identified in the bill.

The bill would amend various sections of Chapter 36 of the Water Code and create a new subchapter to establish procedures for processing permit amendments and permit applications and for the associated hearings.

The bill would take effect September 1, 2005 and would apply only to a permit or permit amendment application hearing or a rulemaking hearing held by a GWCD on or after that date.

Local Government Impact

The Bee GWCD estimates the district would incur additional costs to implement provisions of the bill. The district estimates the costs would be about \$5,400 the first year of implementation (\$5,000 for revising and publishing rules, \$250 for copying costs, \$150 for public notices), dropping to \$250 each year thereafter (\$100 for copying and \$150 for public notices). The Panhandle GWCD estimates operational costs and staff costs would total about \$11,500 in fiscal year 2006 to approximately \$12,900 by fiscal year 2010. However, the Mesa district reports that its rules already exceed the requirements of the bill, and therefore, the district would experience no fiscal impact.

The additional procedural requirements that would apply to a GWCD could create an increase in costs, which would vary by district; however, those costs are not expected to be significant.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality, 592 Soil and Water Conservation Board

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