

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 16, 2007

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

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

IN RE: HB2654 by Puente (Relating to the regulation of the use of an injection well to inject nonhazardous brine from a desalination operation or to inject nonhazardous drinking water treatment residuals.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would authorize the Commission on Environmental Quality (TCEQ) to issue a general permit for the use of a Class I injection well to inject non-hazardous brine from desalination operations or non-hazardous drinking water treatment residuals. The bill would provide for published notice and the opportunity for the public to provide comment on a proposed general permit. The bill also provides for renewal and amendment of the general permit and collection of fees. A general permit issued for this special case would not be subject to the opportunity for a contested case hearing.

The proposed bill also provides that the Railroad Commission (RRC) may authorize a person to use nonhazardous brine from a desalination operation or nonhazardous drinking water treatment residuals as an injection fluid for enhanced recovery purposes without first obtaining a permit from TCEQ.

The TCEQ and the RRC could incur some costs in implementing the bill; however, these costs are not expected to be significant. In addition, any permit fee revenues to the TCEQ resulting from passage of the bill are not expected to be significant.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission, 582 Commission on Environmental Quality

LBB Staff: JOB, WK, TL