

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 18, 2007

TO: Honorable Dennis Bonnen, Chair, House Committee on Environmental Regulation

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

IN RE: SB359 by Williams (Relating to a Texas Commission on Environmental Quality water quality protection area pilot program applicable to portions of the San Jacinto River; providing penalties.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would establish a pilot program for quarry operations in portions of the East Fork and West Fork of the San Jacinto River and Spring Creek. The pilot program would address permitting, financial responsibility, inspections, water quality sampling, enforcement, cost recovery, and interagency cooperation with regard to quarries.

The Texas Commission on Environmental Quality (TCEQ) would be required to complete rulemaking to establish a pilot program for quarries within the affected portions of the East Fork and West Fork of the San Jacinto River and Spring Creek. The TCEQ would develop and issue a general permit for discharges from quarries located within the affected portions of the East Fork and West Fork of the San Jacinto River and Spring Creek. The TCEQ would coordinate with the San Jacinto River Authority and the Texas Parks and Wildlife Department to increase monitoring and inspection efforts. In addition, the TCEQ would have an increase in enforcement responsibilities due to the increased field inspection efforts for quarries located within the affected San Jacinto River and Spring Creek watersheds.

The bill would prohibit the TCEQ from granting permits for new quarries and expanded quarries within 100 feet of a stream in a water quality protection area, except for quarries permitted by the U.S. Army Corps of Engineers.

The TCEQ anticipates that approximately 22 facilities would be required to obtain coverage under a new general permit. Compared with the total number of permits issued by the TCEQ, this number is not considered significant. The overall impact of rulemaking efforts, general permit processing, inspections, and enforcement for the small number of facilities affected by the bill is expected to be absorbed within current agency resources.

Facilities that commenced operations prior to January 1, 2007 would have the option to continue operating under the multi-sector general permit until its expiration in August 2011, at which time these facilities would obtain authorization under the general permit issued under the subchapter established by the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, DB, WK, TL