

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 24, 2007

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

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

IN RE: SB1691 by Duncan (Relating to a groundwater conservation district's regulation of groundwater use by any person, including a state agency or political subdivision.),
Committee Report 1st House, Substituted

There would be no fiscal impact to the state unless a state agency is not currently in compliance with a groundwater conservation district's regulations. If an agency is not in compliance, the fiscal impact to the state would depend on what it would cost to come into compliance and on the amount of civil penalties, if any are imposed.

The bill would amend the Water Code to stipulate that all persons, state agencies, political subdivisions of the state, and any other legal entity who produces groundwater inside the boundaries of a groundwater conservation district are subject to groundwater regulation under Chapter 36, Water Code, except those exempt under Section 36.117 or 36.121. The bill clarifies that a district would be authorized to bring an action for an injunction, mandatory injunction, or other appropriate remedy in court against all entities listed, including a state agency or a political subdivision, and clarifies that civil penalties could be imposed on those entities.

The bill would take effect immediately if it were to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Local Government Impact

According to twelve groundwater conservation districts from around the state, the provisions of the bill would enhance the districts' ability to fulfill their mission, resulting in an incalculable savings. Several pointed out that the provisions of the bill would also result in an unknown, yet presumed significant, savings in legal costs should the district's regulation authority be challenged in court.

The fiscal impact for other political entities would vary depending on whether the entities are currently in compliance with groundwater regulations, and if not, the costs of actions necessary to come into compliance and, if imposed, the costs of civil penalties.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JOB, WK, DB