

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**March 30, 2009**

**TO:** Honorable Allan Ritter, Chair, House Committee on Natural Resources

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

**IN RE: HB1922** by Martinez Fischer (Relating to the authorization of certain reuse water system contributions and discharges. ), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would authorize the Texas Commission on Environmental Quality (TCEQ) to authorize certain municipalities to contribute reclaimed water (treated domestic wastewater) into a reuse water system; authorize certain municipalities to discharge the reclaimed water introduced to the reuse water system through outfalls authorized in the municipalities' Texas Pollution Discharge Elimination System (TPDES) permit; and attribute any effluent limitation violation from a reuse system outfall authorized in the TPDES permit to the treatment facility which causes the violation or if cause can not be identified, to the treatment facility with the greatest flow volume, should multiple treatment facilities contribute to the reuse water system. The bill would only apply to a home-rule municipality with a population of one million or more operating a wastewater treatment facility. Authority granted by the bill would also be subject to approval by the U.S. Environmental Protection Agency.

Any additional workload resulting from the bill's passage is expected to be reasonably absorbed within the TCEQ's existing resources.

**Local Government Impact**

Based on the applicability criteria, the provisions of the bill could affect the cities of San Antonio, Dallas, and Houston, as all three have a population over one million, are home-rule, and operate a wastewater treatment facility.

According to the San Antonio Water System (SAWS), the system would benefit by allowing more recycled water to be sold, thereby reducing demand on the potable water supply from the Edwards Aquifer; while beneficial, SAWS stated that there would be no significant fiscal impact.

Although the City of Dallas stated that the criteria would make the bill applicable to Dallas, no fiscal impact information was available. The City of Houston did not make a determination regarding applicability.

**Source Agencies:** 582 Commission on Environmental Quality

**LBB Staff:** JOB, WK, TL, DB