

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

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

**April 6, 2009**

**TO:** Honorable Byron Cook, Chair, House Committee on Environmental Regulation

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

**IN RE: HB4206** by Farabee (Relating to a requirement that an applicant for a permit to construct an electric generating facility demonstrate that a sufficient amount of water is available for use in connection with the operation of the facility.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would require an applicant for a permit to construct an electric generating facility demonstrate that a sufficient amount of water is available for use in operation of the facility. The bill's provisions would only apply to an application for a permit or permit amendment that is submitted to the Texas Commission on Environmental Quality (TCEQ) on or after the effective date of the bill.

Passage of the bill would result in the TCEQ being required to establish an additional procedure to verify that an applicant for an air permit or permit amendment to construct an electric generating facility has submitted a study demonstrating there is a sufficient amount of water available in the applicable regional water planning area to TCEQ and to the appropriate regional water planning group. However, any costs to the TCEQ resulting from the bill's passage are not expected to be significant.

**Local Government Impact**

Any costs to local governments in demonstrating that an electric generating facility to be operated by the local entity would have sufficient water available is not expected to be significant compared to the overall cost of constructing an electric generating facility.

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

**LBB Staff:** JOB, TL, SD