

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 1, 2009

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

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

IN RE: SB1714 by Hegar (Relating to the evidence of beneficial use in the permitting of groundwater.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Water Code to: require applicants for the drilling of a well to provide evidence of beneficial use to the local groundwater conservation district before a permit could be granted; remove the regional water plan from a district's consideration of a transfer permit application and would shorten the period for which the water may be transferred from three years to two years if substantial construction of a conveyance system has not been commenced prior to the issuance of the permit; require substantial construction of the proposed facilities to transport the groundwater begin within two years of the date the permit was issued; require a district to deny a permit to transfer groundwater for municipal use unless the water supply project is included in the approved regional water plan; and allow a person to file suit against a district to challenge a transfer permit determination.

The Commission on Environmental Quality indicates that any costs associated with the bill could be absorbed within the agency's existing resources.

The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house; otherwise it would take effect September 1, 2009.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, WK, TL, AH, TP