

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

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 20, 2011**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

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

**IN RE: HB3391** by Miller, Doug (Relating to rainwater harvesting and other water conservation initiatives. ), **As Passed 2nd House**

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

The bill would allow financial institutions to consider making loans for developments that will have harvested rainwater as the sole source of water supply. The bill would require on-site reclaimed technologies potable and nonpotable indoor use and landscape watering in the design and construction of any new state building that is at least 10,000 square feet, any other new state building where it would be feasible, and in the design and construction of each new state building that is at least 50,000 square feet and is located in an area of the state that receives at least 20 inches of average annual rainfall.

The bill would allow the use of harvested rainwater for indoor potable use as well as nonpotable indoor purposes if a structure is connected to a public water supply system and has a rainwater harvesting system for indoor use. In addition, the bill would: encourage municipalities and counties to promote rainwater harvesting through incentives such as a discount on rain barrels or rebates for water storage facilities; provide that each municipality or county that has adopted impervious cover or density restrictions consider harvested rainwater as an on-site water supply source when determining credit against or exemption from the restrictions, require the Texas Water Development Board (TWDB) to make training materials on rainwater harvesting available; and disallow a municipality or county from denying a building permit just because the facility will implement rainwater harvesting; and encourage each school district to implement rainwater harvesting at its facilities.

The bill would prohibit a property owner's association from restricting a person from installing a rain barrel or rain harvesting device, with certain exceptions. The bill would provide that if the Legislature would make an appropriation to the TWDB to provide matching grants to political subdivisions for rainwater harvesting demonstration projects, the TWDB would be required to provide a report to the Lieutenant Governor and the Speaker of the House showing the description of each project and the amount of the grant provided for each project no later than December 1, 2012.

Both the Texas Commission on Environmental Quality and TWDB report that the bill would not result in a significant fiscal impact to the respective agency.

## **Local Government Impact**

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

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

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