

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

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

**March 12, 2011**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Natural Resources

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

**IN RE: SB497** by Jackson (Relating to notice of the construction or expansion of a wind-powered electric generation facility located near a federally owned or operated radar installation or military installation.), **As Introduced**

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

The bill would create a new chapter in the Utilities Code for the construction or expansion of certain wind powered electric generation facilities. The bill would allow federally owned or operated radar or military installations to request that the agency notify the installation of a planned construction or expansion project if any part of the construction would occur within 25 miles of the boundaries of the installation. The bill would require that the Texas Commission on Environmental Quality (TCEQ) create, maintain and publish on the agency's website a list of federally owned or operated radar and military installations that request notification of construction or expansion of a wind-powered electric generation facility that will occur within 25 miles of the boundaries of the installation.

The bill would require wind-powered electric generating facilities for which construction or expansion costs are estimated to be at least \$10,000 and if any part of those projects will be located within 25 miles of certain federal installations who request notification from TCEQ of the wind-powered projects to provide certain information to TCEQ after which the agency would be required, within 25 days, to provide notice of these wind-powered construction or expansion projects to: federal installations, each county or municipality with boundaries within 25 miles of an installation, the Governor's Office, the Texas Military Preparedness Commission, the Comptroller's Office, and the State Energy Conservation Office.

The bill would provide that TCEQ may adopt rules necessary for notification requests, and would be required to adopt rules to: (1) set a deadline by which the notification must be provided, and (2) establish a fee, in a reasonably necessary amount, for a person who provides notice of construction or expansion of a wind project. TCEQ would be required to consult with the Governor's Office, the Texas Military Preparedness Commission; Comptroller's Office, and the State Energy Conservation Office when developing and amending rules to implement and administer the bill. The bill requires that rules and procedures be adopted by January 1, 2012.

The bill requires the TCEQ to establish a fee, in a reasonably necessary amount, for a person who provides notice of construction or expansion of a wind farm project. The agency reports that costs to collect the required information, maintain it, and provide notice should be negligible. Therefore, any fee revenue generated, which would be deposited to the General Revenue Fund would not be expected to be significant. However, for the TCEQ to use the fee receipts to cover the costs of the program, it would require an appropriation from the legislature.

**Local Government Impact**

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

**Source Agencies:** 300 Trusted Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality

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