

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 3, 2011

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

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

IN RE: SB728 by Seliger (Relating to a groundwater conservation district's recovery of expenses in closing or capping a well.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Water Code to allow a groundwater conservation district to recover attorney's fees, court costs, and reasonable expenses incurred in closing or capping a well from an owner of the land on which the well is located. The bill would specify that an entity that drills a well to develop subsurface resources not owned by the landowner would be liable for expenses incurred in closing or capping the well, unless the landowner assumes responsibility for the well.

Local Government Impact

There could be a savings to a groundwater conservation district that would be allowed to recover the additional expenses incurred in closing or capping a well if an owner failed or refused to comply with the requirements; however, the amounts would vary depending on the number of wells located in a groundwater district.

According to the Live Oak Underground Water Conservation District and the Bee Groundwater Conservation District, there would be no fiscal impact associated with the provisions of the bill.

In addition, there could be costs to an entity that drills a well not owned by the landowner, but the amounts would vary. It is assumed that an entity would drill a well and incur costs associated with closing or capping a well only if the landowner assumed responsibility for the well or it would not result in a negative fiscal impact.

Source Agencies:

LBB Staff: JOB, SZ, TP