

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 1, 2013

TO: Honorable Patricia Harless, Chair, House Committee on Environmental Regulation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1535** by Reynolds (Relating to the permitting of certain small commercial development and county park sewage collection, treatment, and disposal systems as on-site sewage disposal systems.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 366 of the Health and Safety Code to allow certain small commercial development and county park sewage collection, treatment, and disposal systems to be permitted as on-site sewage facility systems (OSSFs), and would establish requirements regarding location; approvals by the governing body of a municipality; facilities engaged in food service activities; county parks; and management authorization.

According to the analysis by the Texas Commission on Environmental Quality (TCEQ), currently, such systems are permitted under the Water Code and the permits require the designation of a responsible party. The permits issued require detailed information when applications are submitted. TCEQ estimates that it has issued less than 10 water quality permits for cluster OSSFs; and delegates the administration of OSSF rules to local governments as an authorized agent who is then responsible for compliance and enforcement. TCEQ only issues OSSF permits when there is no authorized agent, and in such cases, charges \$400 for a permit.

The Texas Commission on Environmental Quality (TCEQ) would be required to amend existing rules to implement the provisions of the bill. TCEQ does not expect the number of permitting requests for such systems to increase significantly; therefore, no significant fiscal impact on the agency is anticipated.

Local Government Impact

Units of local government that are designated as authorized agents per OSSF rules could experience additional cost increases associated with the authorization of such systems and with enforcement requirements.; however, the amounts would vary and are not anticipated to be significant since only a small number of such systems are expected to be built. In addition, counties with parks may experience a costs savings for utilizing an OSSF in a county park; and for reduced administrative expenses from OSSF requirements instead of current permitting requirements in county parks.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: UP, SZ, TP