

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 7, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1796 by Isaac (Relating to the renewal or amendment of permits issued by groundwater conservation districts; providing authority to impose fees.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 36 of the Water Code to specify procedures regarding renewal or permit amendments issued by a groundwater and conservation district; and would authorize a district to impose fees.

A district would be required to determine whether a hearing on a permit or permit amendment application is required. A district may not require a hearing for a well permit amendment application that does not change the permitted point of groundwater withdrawal; place of using the water; or rate or amount of groundwater withdrawals from the well.

A district may amend an operating permit to adjust the rate or amount of permitted groundwater withdrawals only to respond to drought conditions; significant changes in the aquifer condition or groundwater availability; or to comply with an order of the Texas Commission on Environmental Quality (TCEQ). A district may not amend an operating permit to adjust the amount or rate of authorized withdrawals by more than five percent.

According to the Texas State Soil and Water Conservation Board and TCEQ, no fiscal impact is anticipated.

Local Government Impact

There could be fiscal impact to a district to hold a public hearing that would vary depending on current procedures and a district's budget. Costs to hold a public hearing are an estimated \$12,000 which could be a significant portion of a district's current budget which may range from \$25,000 to \$100,000. In addition, while the five percent change to a permit would not result in increased costs, it could affect the amount of water that would be available.

The Live Oak Underground Water Conservation District (UWCD) reported costs totaling an estimated \$75,000 in fiscal year 2014 with similar amounts in subsequent fiscal years. Costs would include the salary and benefits for one new employee (\$50,000); and operational costs (\$25,000). The Live Oak UWCD's population is 15,000 and the overall current fiscal year budget is \$70,000.

Source Agencies: 582 Commission on Environmental Quality, 592 Soil and Water Conservation Board

LBB Staff: UP, SZ, TP, PM