

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 15, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2615** by Johnson (Relating to the use of state water; providing a penalty.), **Committee Report 2nd House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>

The bill would set penalties for a person failing to file a statement or comply with a request of the Texas Commission on Environmental Quality (TCEQ) for water use data relating to water rights after the applicable deadline of \$100 per day if the person holds a water right permit of 5,000 acre feet or less per year or \$500 per day if the person holds a water right for more than 5,000 acre feet per year. The TCEQ's executive director would establish a deadline by which a person must provide the information being requested. The bill would provide for reports to be submitted to the TCEQ electronically. The bill also would specify cases where water rights holders could seek exemptions to cancellation of permits based on nonuse, including cases where adjustments or suspensions are made by the TCEQ's executive director and due to drought conditions.

Penalties associated with failure to comply with TCEQ water rights reporting requirements would be deposited to the General Revenue Fund. Although passage of the bill could result in increased penalty revenues, this estimate assumes that the per-day penalty rate would serve as an incentive for compliance. Thus, no significant revenue increase to the state is expected. Passage of the bill is not expected to result in significant costs to the TCEQ.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality

LBB Staff: UP, SZ, TL