

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 13, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3233 by Ritter (Relating to interbasin transfers of state water.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would affect the permitting process for inter-basin transfers of surface water rights. The bill would remove the requirement that an application for an inter-basin transfer must include the projected effect on user rates and fees for each class of rate payers. The bill would change notification requirements, and it would substitute the term "service area of a retail water utility" for "municipality's retail service area." The bill would provide that the Texas Commission on Environmental Quality (TCEQ) would determine whether detriments to a basin of origin are less than the benefits to the receiving basin.

The changes proposed by the bill could shorten the permitting process for an inter-basin transfer. The bill also could increase the number of utilities that would be exempt from requirements for an inter-basin transfer application because the term "service area of retail water utility" encompasses more utility service areas than the existing language of "municipality's retail service area."

Passage of the bill is not expected to result in a significant impact on the TCEQ's workload.

Local Government Impact

Units of local government that apply for inter-basin transfers of water may experience lower permitting costs, but the amount of any savings would vary widely and depend on the unique operating environment of the local government.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: UP, SZ, TL