

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 8, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB3234** by Ritter (Relating to the procedure for action by the Texas Commission on Environmental Quality on an application for a water right.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Water Code to establish new deadlines for processing water rights permit applications and amendments. Timeframes for permitting actions would be established for applicants and the Texas Commission on Environmental Quality (TCEQ). In addition, the bill would establish new criteria for contested case hearings relating to water rights at the State Office of Administrative Hearings (SOAH). The bill would take effect immediately if it would receive a two-thirds vote in both houses. Otherwise, it would take effect on September 1, 2013. The bill would only apply to applications filed on or after the effective date of the Act.

The TCEQ reports that the agency is receiving an increasing number of complex water rights applications, and that under current law there are no statutorily imposed deadlines for processing them. Because the bill would limit the number of days the agency could take to finalize an application, the TCEQ expects that it would need to apply greater resources to water rights permitting activities to meet the requirements of the bill. This analysis assumes that the agency would absorb this cost increase using existing resources.

SOAH reports that the bill should not have any significant operational or fiscal impact on the agency.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated. Some local governments that are water rights applicants could benefit from the bill's proposed application deadlines.

**Source Agencies:** 360 State Office of Administrative Hearings, 582 Commission on Environmental Quality

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