

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

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

**April 20, 2013**

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

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

**IN RE:** SB434 by Hancock (Relating to the procedural requirements for action by the Texas Commission on Environmental Quality on applications for production area authorizations.), **As Introduced**

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

The bill would amend Water Code provisions regarding production area authorizations for Class III injection wells. The bill would make fewer applications for production area authorizations subject to contested case hearing requirements, and it would remove requirements for public notice. The bill would also remove provisions in the Water Code for the Executive Director of the Texas Commission on Environmental Quality (TCEQ) to use of a third party expert for recommendations in production area authorizations.

The bill would require the TCEQ to engage in rulemaking and result in certain other administrative duties. However, due to the low number of contested case hearings regarding production area authorizations, any costs to the agency as a result of the bill's passage are expected to be minimal.

**Local Government Impact**

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

**Source Agencies:** 582 Commission on Environmental Quality

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